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SAN FRANCISCO PORT COMMISSION

Leslie Katz, President
Willie Adams, Vice President
Kimberly Brandon, Commissioner
Mel Murphy, Commissioner
Doreen Woo Ho, Commissioner

Monique Moyer, Executive Director
Phone: 415-274-0400; Fax 415-274-0412

Amy Quesada, Commission Secretary
Phone: 415-274-0406; Fax 415-274-0412

SPECIAL MEETING AGENDA **TUESDAY, SEPTEMBER 9, 2014** **1:45 P.M. CLOSED SESSION** **2:45 P.M. OPEN SESSION**

PORT COMMISSION HEARING ROOM, SECOND FLOOR
FERRY BUILDING, SAN FRANCISCO CA 94111

The Port Commission Agenda as well as Staff Reports/Explanatory Documents available to the public and provided to the Port Commission are posted on the Port's Website at www.sfport.com. The agenda packet is also available at the Pier 1 Reception Desk. If any materials related to an item on this agenda have been distributed to the Port Commission after distribution of the agenda packet, those materials are available for public inspection at the Port Commission Secretary's Office located at Pier 1 during normal office hours.

1. **CALL TO ORDER / ROLL CALL**
2. **APPROVAL OF MINUTES** – August 12, 2014
3. **PUBLIC COMMENT ON EXECUTIVE SESSION**
4. **EXECUTIVE SESSION**

GOVERNMENT
DOCUMENTS DEPT

SEP 05 2014

SAN FRANCISCO
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A. Vote on whether to hold closed session.

- (1) **CONFERENCE WITH LEGAL COUNSEL AND REAL PROPERTY NEGOTIATOR** – This is specifically authorized under California Government Code Section 54956.8. *This session is closed to any non-City/Port representative:
 - a. **Property:** Pier 38, located at Delancey Street and The Embarcadero
Person Negotiating: Port: Byron Rhett, Deputy Director, Planning and Development; Jonathan Stern, Assistant Deputy Director of Planning and Development

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*Negotiating Parties: TMG Pier 38 Partners, LLC: Michael Covarrubias

Under Negotiations: ___ Price ___ Terms of Payment ☒ Both
The Port and TMG Pier 38 Partners, LLC ("TMG") are negotiating a lease for the Pier 38 Bulkhead Building Rehabilitation Project. In this executive session, the Port's negotiator seeks direction from the Port Commission on factors affecting the price and terms of payment, including price structure, financing mechanisms and other factors affecting the form, manner and timing of payment of the consideration for the property interests. The executive session discussions will enhance the capacity of the Port Commission during its public deliberations and actions to set the price and payment terms that are most likely to maximize the benefits to the Port, the City and the People of the S

5. RECONVENE IN OPEN SESSION

- A. Possible report on actions taken in closed session pursuant to Government Code Section 54957.1 and San Francisco Administrative Code Section 67.12.
- B. Vote in open session on whether to disclose any or all executive session discussions pursuant to Government Code Section 54957.1 and San Francisco Administrative Code Section 67.12.

6. PLEDGE OF ALLEGIANCE

7. ANNOUNCEMENTS

- A. Announcement of Prohibition of Sound Producing Electronic Devices during the Meeting: Please be advised that the ringing of and use of cell phones, pagers and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing of or use of a cell phone, pager, or other similar sound-producing electronic device.
- B. Announcement of Time Allotment for Public Comments: Please be advised that a member of the public has up to three minutes to make pertinent public comments on each agenda item unless the Port Commission adopts a shorter period on any item.

8. PUBLIC COMMENT ON ITEMS NOT LISTED ON THE AGENDA

Public comment is permitted on any matter within Port jurisdiction and is not limited to agenda items. Public comment on non-agenda items may be raised during Public Comment Period. A member of the public has up to three minutes to make pertinent public comments. Please fill out a speaker card and hand it to the

Commission Secretary. If you have any question regarding the agenda, please contact the Commission Secretary at 274-0406. No Commission action can be taken on any matter raised during the public comment period for items not listed on the agenda other than to schedule the matter for a future agenda, refer the matter to staff for investigation or respond briefly to statements made or questions posed by members of the public. (Government Code Section 54954.2(a))

9. EXECUTIVE

A. Executive Director's Report

- *Chinese Whispers*: Bay Chronicles at Heron's Head Park– September 13, 2014 at 12:30 p.m.
- Coastal Clean Up Day – September 20, 2014 at 9:00 a.m. to 12 noon
- Port Commission Meeting Offsite – September 23, 2014 at 1800 Oakdale Avenue, San Francisco
- Arrival of the Pier 27 James R. Herman Cruise Terminal Gangway
- Pier 27 James R. Herman Cruise Terminal Opening – September 25, 2014 at 12 noon
- Waterfront Land Use Plan Public Comment Deadline Extension – November 30, 2014
- In Memoriam:
 - George Pasha III, Chairman of the Pasha Group
 - Patrick J. Flanagan, Fisherman's Wharf Merchant Association, Past President
 - Harry Kim, Fisherman's Wharf Merchant Association Member

B. Commissioners' Report

10. MARITIME

- A. Request approval of changes to Port Tariff No. 5, Section 8 – Fisherman's Wharf, conducting non-sport fishing trips, and Section 10 – Passenger Fees. (Resolution No. 14- 51)

11. FINANCE & ADMINISTRATION

- A. Informational presentation on the Port's Year-End Report on Contracting Activity for the Fiscal Year 2013-14 (July 1, 2013 through June 30, 2014).

12. PLANNING AND DEVELOPMENT

SPECIAL ORDER - ITEM 12B WIL BE HEARD AT A TIME CERTAIN OF 4:00 P.M.

- A. Informational presentation by the San Francisco Planning Department Director regarding interagency coordination with the Port of San Francisco for waterfront planning and urban design.
- B. Joint Presentation by John Englander and Will Travis on Sea Level Rise.

13. NEW BUSINESS

14. ADJOURNMENT

**Correspondence to the Port Commission
August 8 to September 4, 2014**

- From Port staff, copy of letter to Superior Court Presiding Judge and Response Matrix to 2013-14 Civil Grand Jury's Report: *The Port of San Francisco Caught Between Public Trust and Private Dollars*

**Correspondence to the Port Commission
August 8 to September 4, 2014**

- From Port staff, copy of letter to Superior Court Presiding Judge and Response Matrix to 2013-14 Civil Grand Jury's Report: *The Port of San Francisco Caught Between Public Trust and Private Dollars*

**FORWARD CALENDAR
(TARGETED COMMISSION MEETING, SUBJECT TO CHANGE)**

PLEASE NOTE CHANGE OF MEETING LOCATION

**SEPTEMBER 23, 2014 - SOUTHEAST COMMUNITY FACILITY, 1800 OAKDALE AVENUE
SAN FRANCISCO**

	FACILITY/POLICY	ITEM	TITLE
1	Portwide	Informational	Review of June 2014 Civil Grand Jury Report: <i>The Port of San Francisco Caught Between Public Trust and Private Dollars</i>
2	Southern Waterfront	Informational	Presentation on the Southern Waterfront Maritime & Land Use Strategy
3	Blue Greenway	Informational	Presentation on the status of the Port's Blue Greenway Projects
4	Portwide	Action	Authorization to issue an informal bid for a Financial Advisor Contract
5	Portwide	Action	Authorization to enter into an Architectural/ Engineering Services Contract for the Completion of an Assessment of the Port's Seawall
6	Brannan Street Wharf	Action	Authorization to approve plaque installation and pathway naming at Brannan Street Wharf located on The Embarcadero Promenade between Piers 30-32 and Pier 38
7	Third Street and Cargo Way	Action	Approval of First Amendment to the Memorandum of Understanding between the Port and the San Francisco Fire Department for Station House No. 25 at Third Street and Cargo Way, MOU No. M12364

OCTOBER 14, 2014

	FACILITY/POLICY	ITEM	TITLE
1	Portwide	Informational	Presentation by City Controller on Best Practices for Public Works Contracts
2	Pier 38	Informational	Presentation on Pier 38 Bulkhead Building Rehabilitation Project with TMG Pier 38 Partners, LLC, located at Delancey Street and the Embarcadero.
3	Seawall Lot 324	Informational	Presentation Regarding a Prospective Sole Source Commercial Lease between the Port of San Francisco and Teatro Zinzanni for Premise at SWL 324
4	Portwide	Action	Authorization to enter into a contract for Youth Employment Services

5	Portwide	Action	Authorization to enter into a contract for Emergency Operations Training
6	Southern Waterfront	Action	Approval to issue RFP for Consultant to update Southern Waterfront Environmental Impact Report

OCTOBER 28, 2014

	FACILITY/POLICY	ITEM	TITLE
1	Pier 33½	Informational	Approval of staff recommendations to award the RFP for retail opportunity at Pier 33½ to most qualified bidder and to direct staff to negotiate a lease
2	Portwide	Informational	Presentation on Finger Pier Exiting Code Analysis/Model Guidelines

NOVEMBER 18, 2014 – SPECIAL MEETING

	FACILITY/POLICY	ITEM	TITLE
1	Portwide	Informational	Presentation on Water Taxi Operations at the Port
2	Pier 96	Action	Authorization to advertise and issue a Request for Proposals (RFP) soliciting a developer and operator for a Bulk Export Maritime Terminal Operation at Pier 96
3	Pier 29	Action	Approval to issue a Request for Proposals (RFP) for a Retail Leasing Opportunity at the Pier 29 Bulkhead Building, located at Chestnut Street and The Embarcadero.
4	Pier 94/96, Pier 48/50 Marginal Pier, and SWL 318 Round House Building	Action	Authorization to award Construction Contract No. 2769, Port Security Fences, Phase IV

DECEMBER 16, 2014

	FACILITY/POLICY	ITEM	TITLE
1	Pier 80	Informational	Presentation on Cargo Marketing Plan for Pier 80 in conjunction with Metro Ports and the International Longshore and Warehouse Union
2	Pier 33½	Action	Approval of Lease for Retail Location at Pier 33½

DATE TO BE DETERMINED

	FACILITY/POLICY	ITEM	TITLE
1	SWL 337	Informational	Presentation regarding a special event in excess of 90-days at Port property at Seawall Lot 337, including a review of the special event's proforma, pursuant to Lease No. L-14980 between Port and China Basin Ballpark Company, LLC.
2	Piers 30-32	Informational	Presentation of alternatives for reuse of Piers 30-32
3	Portwide	Informational	Presentation on quality of Port's office space portfolio & required improvements
4	Portwide	Informational	Presentation of Public Comments and Recommendations on the Waterfront Land Use Plan Review Report
5	South Beach	Action	Port Commission's consideration of agreements between the Port Commission and the Successor Agency to mutually terminate 13 ground leases in the South Beach project area and set business terms for the transfer of the South Beach Harbor Program
6	Pier 31	Action	Authorization to advertise for competitive bids for Construction Contract No. 2762, Pier 31 Building and Roof Repairs
7	Pier 70	Action	Authorization to advertise for competitive bids for Construction, Crane Cove Park Project Phase 1
8	Pier 94 and 96	Action	Authorization to advertise for competitive bids for Construction, Pier 94-96 Storm Drain and Outfall repairs
9	Loading Dock near Tulare Street	Action	Authorization to advertise for competitive bids for Construction, Copra Crane Refurbishment
10	3rd Street & Cargo Way Triangle and Cargo Way	Action	Authorization to advertise for competitive bids for Construction, Quint Street Lead Improvement Project
11	Pier 35	Action	Authorization to advertise for competitive bids for Construction, Pier 35 Substructure Repairs
12	Pier 29	Action	Approval to issue a Request for Proposals for new tenant(s) for Pier 29 bulkhead
13	Pier 31	Action	Authorization to award Construction Contract No. 2762, Pier 31 Building and Roof Repairs
14	Daggett Street	Action	Approval of Memorandum of Understanding between the Port and the City's Real Estate Department authorizing the jurisdictional transfer of the Daggett Street Right-of-Way from the Port to the City for a transfer fee of \$1.6 Million

SEPTEMBER/OCTOBER 2014
CALENDAR OF UPCOMING PORT MEETINGS – OPEN TO THE PUBLIC

DATE	TIME	GROUP	LOCATION
September 23	2:00 PM Closed Session	Port Commission	Southeast Community Facility, Alex L. Pitcher, Jr. Community Room, 1800 Oakdale Avenue, San Francisco CA 94124 (Phone 415-821-0921)
	3:15 PM Open Session	Port Commission	Southeast Community Facility, Alex L. Pitcher, Jr. Community Room, 1800 Oakdale Avenue, San Francisco 94124 (Phone 415-821-0921)
October 14	2:00 PM Closed Session	Port Commission	Port Commission Hearing Room at the Ferry Building
	3:15 PM Open Session	Port Commission	Port Commission Hearing Room at the Ferry Building
October 28	2:00 PM Closed Session	Port Commission	Port Commission Hearing Room at the Ferry Building
	3:15 PM Open Session	Port Commission	Port Commission Hearing Room at the Ferry Building

NOTES:

The San Francisco Port Commission meets regularly on the second and fourth Tuesday of the month at 3:15 p.m., unless otherwise noticed. The Commission Agenda and staff reports are posted on the Port's Website @ www.sfport.com. The Port Commission meetings can be viewed online at http://sanfrancisco.granicus.com/ViewPublisher.php?view_id=92. The Port Commission meetings are also broadcasted on the 2nd & 4th Thursday of the month at 9 p.m. on Comcast Cable Channel 26 or Astound Cable Channel 78 (formerly RCN Cable). Contact Amy Quesada at 274-0406 or amy.quesada@sfport.com

The Fisherman's Wharf Waterfront Advisory Group (FWWAG) meets regularly on a bi-monthly basis, on the third Tuesday of the month. The regular meeting time and place is 9:00 a.m. at Scoma's Restaurant, Pier 47 at Fisherman's Wharf. Contact Rip Malloy @ 274-0267 or rip.malloy@sfport.com

The Maritime Commerce Advisory Committee (MCAC) meets every other month, on the third Thursday of the month, from 11:30 a.m. to 1:00 p.m. @ Pier 1. Contact Jim Maloney @ 274-0519 or jim.maloney@sfport.com

The Mission Bay Citizens Advisory Committee meets on the second Thursday of the month at 5:00 p.m. in the Creek Room at Mission Creek Senior Building located at 225 Berry Street in San Francisco (along the Promenade just beyond the library.) Contact Catherine Reilly at the former Redevelopment Agency @ 749-2516 or catherine.reilly@sfgov.org

The Northeast Waterfront Advisory Group (NEWAG) meets regularly on a bi-monthly basis on the first Wednesday of the month from 5:00 p.m. to 7:00 p.m. in the Bayside Conference Room @ Pier 1. Contact Jonathan Stern @ 274-0545 or jonathan.stern@sfport.com

The Central Waterfront Advisory Group (CWAG) meets monthly on an as-needed basis, generally on the third Wednesday of the month from 5 to 7 p.m. in the Bayside Conference Room at Pier 1. Contact Mark Paez @ 705-8674 or mark.paez@sfport.com

The Southern Waterfront Advisory Committee (SWAC) meets every last Wednesday of the month from 6:15 to 8:15 p.m. Location to be determined. Contact David Beaupre @ 274-0539 or david.beaupre@sfport.com

The Waterfront Design Advisory Committee (WDAC) meets jointly with the Design Review Board of the Bay Conservation and Development Commission on the first Monday of the month at BCDC, 50 California Street, Rm. 2600, at 6:30 p.m. The Committee meets as needed on the fourth Monday of the month at 6:30 p.m. in the Bayside Conf. Rm. @ Pier 1. Contact Dan Hodapp @ 274-0625 or dan.hodapp@sfport.com

ACCESSIBLE MEETING INFORMATION POLICY

FERRY BUILDING:

The Port Commission Hearing Room is located on the second floor of the Ferry Building. The main public entrance is from the west (Embarcadero) side and is served by a bank of elevators adjacent to the historic staircase. Accessible public restrooms are on the first floor at the northeast end of the building as well as on the second floor across the lobby from the Port Commission Hearing Room. The main path of travel to the Port Commission Hearing Room is equipped with remote infrared signage (Talking Signs). The Port Commission Hearing Room is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) is available. The closest accessible BART and MUNI Metro station is Embarcadero located at Market & Spear Streets. Accessible MUNI lines serving the Ferry Building area are the F-Line, 9, 31, 32 and 71. For more information about MUNI accessible services, call (415) 923-6142. The nearest accessible parking is provided in the following off-street pay lots: 3 spaces in the surface lot on the west side of the Embarcadero at Washington Street.

Hourly and valet parking is available in the Pier 3 lot. This lot is accessed through the Pier 3 bulkhead building entrance on the east side of the Embarcadero. This lot is located on the pier deck; adjacent to the ferry boat Santa Rosa. Additional covered accessible off-street pay parking is available in the Golden Gateway Garage, which is bounded by Washington, Clay, Drumm and Battery Streets. Entrance is on Clay St. between Battery and Front Streets. There is no high-top van parking. Metered street parking is available on the Embarcadero, Washington, Folsom & Drumm Streets.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City to accommodate these individuals.

Disability Accommodations:

To request assistive listening devices, sign language interpreters, readers, large print agendas or other accommodations, please contact Wendy Proctor, Port's ADA Coordinator at (415) 274-0592 or Amy Quesada, Commission Secretary, at (415) 274-0405 or via email at amy.quesada@sfgov.com at least 72 hours in advance of the hearing. The Port's TTY number is (415) 274-0587.

Language Assistance

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NOTICES

Know Your Rights Under the Sunshine Ordinance:

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Sections 67.1 et seq. of the San Francisco Administrative Code) or to report a violation of the ordinance, contact Chris Ruston by mail: Sunshine Ordinance Task Force, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco CA 94102-4689; by phone at (415) 554-7724; by fax at (415) 554-7854 or by email at sotf@sfgov.org. Citizens interested in obtaining a free copy of the Sunshine Ordinance can request a copy from Mr. Ruston or by printing Sections 67.1 et seq. of the San Francisco Administrative Code on the Internet, at <http://www.sfgov.org/sunshine>.

Prohibition of Ringing of Sound Producing Devices:

The ringing of and use of cell phones, pagers, and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing or use of a cell phone, pager, or other similar sound-producing electronic device.

Lobbyist Registration and Reporting Requirements:

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance (SF Campaign & Government Conduct Code Sections §2.100 – 2.160) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the San Francisco Ethics Commission at 30 Van Ness, Suite 3900, San Francisco, CA 94102, phone (415) 581-2300 or fax (415) 581-2317; web site: www.sfgov.org/ethics.

CEQA Appeal Rights under Chapter 31 of the San Francisco Administrative Code:

If the Commission approves an action identified by an exemption or negative declaration as the Approval Action (as defined in S.F. Administrative Code Chapter 31, as amended, Board of Supervisors Ordinance Number 161-13), then the CEQA decision prepared in support of that Approval Action is thereafter subject to appeal within the time frame specified in S.F. Administrative Code Section 31.16. Typically, an appeal must be filed within 30 calendar days of the Approval Action. For information on filing an appeal under Chapter 31, contact the Clerk of the Board of Supervisors at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102, or call (415) 554-5184. If the Department's Environmental Review Officer has deemed a project to be exempt from further environmental review, an exemption determination has been prepared and can be obtained on-line at <http://sf-planning.org/index.aspx?page=3447>. Under CEQA, in a later court challenge, a litigant may be limited to raising only those issues previously raised at a hearing on the project or in written correspondence delivered to the Board of Supervisors, Planning Commission, Planning Department or other City board, commission or department at, or prior to, such hearing, or as part of the appeal hearing process on the CEQA decision.



MEMORANDUM

September 4, 2014

TO: MEMBERS, PORT COMMISSION
Hon. Leslie Katz, President
Hon. Willie Adams, Vice President
Hon. Kimberly Brandon
Hon. Mel Murphy
Hon. Doreen Woo Ho

FROM: Monique Moyer *M Moyer*
Executive Director

SUBJECT: Request approval of changes to Port Tariff No. 5, Section 8 – Fisherman's Wharf, conducting non-sport fishing trips, and Section 10 – Passenger Fees

DIRECTOR'S RECOMMENDATION: Approve Attached Resolution

Executive Summary

The Port of San Francisco Tariff No. 5 establishes the rules, regulations, rates, and other provisions applying to the services and for the use of the port piers and berths under the jurisdiction of the San Francisco Port Commission. All rates, rules, regulations, and provisions of this schedule receive authority for enforcement from and are subject to the City of San Francisco's Charter, applicable City ordinances, and police code. Port staff is proposing changes to Tariff No. 5 relating to berthing of sportfishing boats and changes to fees assessed to cruise passengers.

The Federal Maritime Commission (FMC) is the regulatory body that has oversight over our nation's ports. If a port handles cargo, or provides the facilities for the handling of cargo, a tariff schedule must be filed with the FMC. If approved by the Port Commission the Port's revised Tariff No. 5 will be filed with the FMC.

Section 8, Sportfishing

Fisherman's Wharf Harbor is currently homeport to a fleet of 15 sportfishing boats. These vessels range in size and capacity from 30 feet and six passengers to 50 feet and 49 passengers. These sportfishing boats are primarily family-owned businesses, some of which have been Port tenants for over 50 years and multiple generations. In 1998, after a period that saw a significant drop in the sportfishing industry, the Port

THIS PRINT COVERS CALENDAR ITEM NO. 10A

developed a policy to allow sportfishing boats to supplement their business by conducting tours from Fisherman's Wharf. The policy included provisions requiring a minimum number of sportfishing trips per fiscal year, defining the procedure for transferring berths, and explaining the process to pay passenger wharfage. These policies are included in the Port of San Francisco Tariff No. 5, Section 8.

Over the last year Port staff has met with the owners of the sportfishing boats to develop updates to the sportfishing tariff in order to accurately reflect current operations. These changes were brought to the Fisherman's Wharf Waterfront Advisory Group (FWWAG) for review and comment. Recommended changes include (i) reduction of the required number of sportfishing trips per fiscal year from 50 to 40; (ii) removal of language requiring the boat owner or a family member to be on board during voyages; and (iii) changes to the passenger wharfage policies.

Section 10, Passenger Fees

As recommended earlier this year, Port staff wishes to increase cruise passenger fees from \$12 to \$18 per person commencing January 1, 2015. The passenger fee is passed through the cruise lines and paid directly by the cruise passengers. This fee increase is necessary to help fund improvements at Pier 27. The passenger fee of \$18 will retain the bundled charges for cruise ships over 500 passengers, but increase the overall fee to account for inflation and to help recover the Port's investment in constructing a brand new state-of-the-art cruise facility at Pier 27.

Strategic Objective

The Port's primary mission is to promote maritime industries and activities, and fishing is one of San Francisco's original maritime businesses. Fisherman's Wharf is the center of Northern California's commercial and sport fishing fleets and Pier 45 houses the West Coast's largest concentration of commercial fish processors and distributors. This Port Commission action will update rules and regulations to better reflect current operating practices which ultimately boost the financial sustainability of the sportfishing fleet. Passenger cruising produces significant economic and employment benefit to the region. It is estimated that each home-ported cruise ship creates \$1 million in economic benefit to the City and County of San Francisco. The Port's passenger fee is the single largest cruise revenue source for the Port and will help pay for the Port's investment in the new James R. Herman Cruise terminal at Pier 27.

Climate Action Impact

Not applicable.

Proposed Tariff Changes

Proposed changes to Port of San Francisco Tariff No. 5 are briefly described below. A more detailed description and analysis is attached as Exhibit A.

Port Tariff Item No. 800

The definition of what is defined as a fishing party boat has been changed to active fishing party boat, and now includes performance measures to qualify for a berth assignment. Adds a new term that further defines the difference between sport fishing and non-sportfishing trips.

Port Tariff Item No. 835.3

Streamlines the process for assigning berths and changes the name of “Jefferson Street Preferred Fishing Party Boat Berths” to “Front Row Berth” throughout the entire Tariff in order to prevent confusion with other berth locations at Fisherman’s Wharf.

Port Tariff Item No. 835.4.d

Requires a current berth holder to notify the Port in writing if the holder intends to purchase a new vessel and berth it in the current berth.

Port Tariff Item No. 835.5.d

Removes language requiring a berth holder or a member of their immediate family to be onboard the vessel for at least 50% of all non-sport fishing trips.

Port Tariff Item No. 896.3

Removes language that refers to Department of Fish and Wildlife's definition of Sport Fishing and refers to item 800 definitions. Eliminates ratio of sportfishing to non-sportfishing trips.

Port Tariff Item No. 896

Removes language that limits non-sport fishing activities to certain berths within the harbor. Requires new uninspected passenger vessels to pass a U.S. Coast Guard Auxiliary uninspected passenger vessel examination.

Port Tariff Item No.896.1

Reduces number of required annual sportfishing trips from fifty to forty.

Port Tariff Item No. 896.5

Removes language that refers to whale watching, funerals, and scatterings at sea as sportfishing activities, and reclassifies them as non-sport fishing activities and therefore subject to passenger wharfage.

Port Tariff Item No. 897

Edits language to include new passenger wharfage reporting procedures to streamline the process and to increase accountability.

Port Tariff Item No.898

Edits language to include new passenger wharfage reporting procedures to streamline the process and to increase accountability.

Port Tariff Item No. 1000

Increases fees for disembarking, in-transit and embarking cruise passengers from \$12.00 to \$18.00 effective January 1, 2015.

Summary

These updates to our Port tariff will help ensure clarity and financial sustainability for two of our most important maritime industries. The rules and regulations in Tariff No. 5 pertaining to sportfishing have not been updated since 1998 and cruise passenger fees have not been raised since 2009. Port staff requests Port Commission authorization to update and amend Port of San Francisco Tariff No.5 as detailed in this report.

Prepared by:	Joseph Reilly Wharfinger and Harbor Master of Fisherman's Wharf
For:	Peter Dailey Deputy Director, Maritime

Attachment

Tariff No. 5 Proposed Updates

**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

RESOLUTION NO. 14-51

- WHEREAS, Charter Section B3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of the City and County of San Francisco; and
- WHEREAS, the Port's primary mission is to promote maritime activities and a thriving fishing and cruise industry are vitally important to the Port and the region; and
- WHEREAS, Port of San Francisco Tariff No. 5 (Tariff No. 5) establishes the rules, regulations, rates, and other provisions applying to the services and use of the port facilities under the jurisdiction of the San Francisco Port Commission; and
- WHEREAS, the rules and regulations in Tariff No. 5 pertaining to sportfishing have not been updated since 1998 and cruise passenger fees have not been raised since 2009; now, therefore, be it
- RESOLVED, that effective September 9, 2014, the Port Commission hereby authorizes the Executive Director or her designee to amend Tariff No. 5 to implement the new rules, rates and clarifications described in the Memorandum dated September 4, 2014.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of September 9, 2014.

Secretary



Port of San Francisco Tariff No. 5

Updates

September 9, 2014

Current Tariff Item No. 800

FISHING PARTY BOAT: is one that is licensed by the United States Coast Guard to carry passengers for hire and is primarily equipped for and engages in sportfishing trips for hire.

NON-SPORTFISHING TRIPS: are defined as trips which include: Scenic bay tours, wedding or other private parties, business meetings, or similar tours or charters.

Item No. 800 only makes a brief mention of Sportfishing and Fishing Party Boats. The proposed changes to Item No. 800 will provide further definition to the terms Fishing Party Boat, Non-Sportfishing Trips, and Sportfishing Trips.

Proposed Changes

ACTIVE FISHING PARTY BOAT: for the purpose of this Section shall mean vessel that is so registered and licensed with the United States Coast Guard and the State, that is self-propelled, and that is designed and outfitted for engaging in sportfishing trips for hire. Upon applying for a berth as an Active Fishing Party Boat, the applicant must provide documentation proving to be in compliance with all applicable federal, state and local laws, and have appropriate insurance coverage as indicated in Item No. 856 of this section. Applicant must provide Department of Fish and Wildlife documentation showing evidence of the following:

- (1) Said vessel was used to catch at least 100 fish; or
- (2) Said vessel has earned 10 Department of Fish and Wildlife Sport Fishing Report Cards. The Fish and Wildlife documentation must provide this evidence for the 12-month period immediately preceding the application date and updated documentation must be submitted by the applicant in each subsequent year thereafter.

NON-SPORTFISHING TRIPS: are defined as trips which include but are not limited to: Scenic bay tours, wedding or other private parties, business meetings, whale watching, scatterings at sea, funerals, special on water events, recreational swims, or similar tours or charters.

SPORTFISHING TRIPS: Are defined as trips for hire for the purpose of sportfishing in the San Francisco Bay or the open waters of the Pacific Ocean.

Current Tariff Item No. 835.3

(3) Berth Nos. 1-13 of Fisherman's Wharf Harbor are defined as Jefferson Street Preferred Fishing Party Boat Berths. In the event a Preferred Fishing Party Boat Berth is permanently vacated or a transfer of the vessel assigned to the berth occurs (as defined in this item below), said berth may not be transferred, but shall be assigned by the Port on a priority basis determined by the following criteria (rather than as indicated in Item 830):

(a) The highest priority shall be given to U.S. Coast Guard licensed owner/operators of Active Fishing Party Boats (defined in Item 800 hereof) that are existing berth holders at Fisherman's Wharf Harbor or Hyde Street Harbor, and do not currently occupy a Preferred Fishing Party Boat Berth. Priority between such existing berth holders is to be determined based upon the length of time that the operator of a Fishing Party Boat has been a berth holder in good standing with the Port at Fisherman's Wharf Harbor or Hyde Street Harbor.

(b) The next highest priority shall be given to a transfer of a vessel currently assigned a Preferred Fishing Party Boat Berth.

(c) The next priority shall be given to existing operators of Active Fishing Party Boats, who are not currently berth holders at Fisherman's Wharf Harbor and who have requested in writing to be placed on a Waiting List for Preferred Fishing Party Boat Berths, which shall be maintained by the Port. Priority on said Waiting List shall be determined based upon the chronological order in which such operators were placed upon the list, as determined by the date an application and deposit is received in accordance with Item No. 830 hereof.

Item No. 835 section 3 discusses the priority given when assigning berths to Active Fishing Party Boats.

Proposed Changes

(3) Berth Nos. 1-13 of Fisherman's Wharf Harbor are defined as The Front Row. In the event a Front Row Berth is permanently vacated or a transfer of the vessel assigned to the berth occurs (as defined in this item below), said berth may not be transferred, but shall be assigned by the Port on a priority basis determined by the following criteria (rather than as indicated in Item 830):

(b) The next highest priority shall be given to a transfer of a vessel currently assigned a Front Row Berth.

(c) - Deleted

The proposed changes to this section, change how berths 1-13 are referred to and streamlines the process for assigning those berths.

Current Tariff Item No. 835.4

(4) An existing berth holder of a Preferred Fishing Party Boat Berth shall be deemed to have PERMANENTLY VACATED the berth in the event that:

- (a) A Transfer of the vessel assigned to the berth occurs (defined herein below);
- (b) If the vessel assigned to the berth vacates the berth for a period in excess of six (6) months; or
- (c) The Berthing Agreement for the berth is terminated by the Port.
- (d) The existing berth holder shall not be deemed to have permanently vacated the premises if the berth holder acquires a replacement vessel approved by the Maritime Operations Manager to moor in the berth within six months of the existing vessel assigned to the berth permanently vacating the berth.

Section 4 of Item No. 835
outlines when a Front Row
Berth has been permanently
vacated.

Proposed Changes

(4) An existing berth holder of a Front Row Berth shall be deemed to have PERMANENTLY VACATED the berth in the event that:

- (d) The existing berth holder shall not be deemed to have permanently vacated the premises if the berth holder provides written notice of their intent to acquire a replacement vessel approved by the Maritime Operations Manager acquires a replacement vessel approved by the Maritime Operations Manager to moor in the berth within six months of the existing vessel assigned to the berth permanently vacating the berth.

The proposed change to this section is
to require an existing berth holder to
notify the Harbor Office in writing of
their intent to purchase a new vessel.

Current Tariff Item No. 835.5

- (5) A transfer of a vessel shall be deemed to have occurred upon the occurrence of the following:
- (a) Any direct or indirect sale, conveyance, alienation or other transfer of interest in the vessel assigned to the subject berth (except for an encumbrance of the vessel to secure financing on the vessel);
 - (b) In the event that the berth holder is a corporation, upon the dissolution, merger, consolidation or other reorganization of the corporation, or any cumulative or aggregate sale, transfer, assignment or hypothecation of fifty percent (50%) or more of the total capital stock of the corporation; or
 - (c) In the event that the berth holder is a partnership or unincorporated association, upon the withdrawal or substitution of any partner(s) owning fifty percent (50%) or more of said partnership or association, the cumulative or aggregate sale, transfer assignment or hypothecation of fifty percent (50%) or more of any interest in the vessel, or the dissolution of the partnership or association; or
 - (d) If the berth holder or a member of the berth holder's immediate family is not on board the vessel assigned to the subject berth during at least fifty percent (50%) of non-Sportfishing trips. In the event that a berth holder or a family member is temporarily unable to be on board the vessel during at least fifty percent (50%) of non-Sportfishing trips due to a documented medical condition or other cause beyond the control of the berth holder, said berth holder may make a written request to the Executive Director of the Port, requesting a temporary waiver of this requirement, and the Executive Director of the Port shall have the authority to grant such a temporary waiver.

Section 5 of Item No. 835 outlines when a transfer of a vessel assigned to the Front Row has occurred

Proposed Changes

(d) – Deleted

The proposed change to this section is to remove the requirement that a member of the berth holder's immediate family be present onboard the vessel during Non-Sportfishing Trips.

Current Tariff Item No. 896.1

No trips for hire shall be conducted from the Harbor except by Fishing Party Boats or by Historic Commercial Fishing Vessels berthed at the Harbor, and only subject to the rules indicated herein below.

A Fishing Party Boat (as defined in Item 800) may conduct Non-Sportfishing Trips for hire from Fisherman's Wharf Harbor ("Non-Sportfishing Trips"), provided that:

(1) The vessel is not longer than 55 ft. and constitutes an ACTIVE FISHING PARTY BOAT, defined as: The Fishing Party Boat makes Sportfishing trips (as defined by the California Department of Fish and Game, including the requirements that all passengers have valid California Department of Fish and Game fishing licenses), on a minimum of fifty (50) days during each calendar year. Provided, however, in the event governmental regulations or acts of God during a calendar year make it impossible to conduct Sportfishing trips on a minimum of fifty (50) days during that year, then the Executive Director of the Port shall have the authority to reduce the minimum number of days in that calendar year on which an Active Fishing Party Boat is required to make Sportfishing trips and to change the required ratio between the number of days in that calendar year that the Active Fishing Party Boat conducts Sportfishing trips and conducts only Non-Sportfishing trips.

Item No. 896 Section 1 outlines the minimum requirements that an Active Fishing Party Boat must meet in order to conduct Non-Sportfishing Trips.

Proposed Changes

No trips for hire shall be conducted from the Harbor except by Fishing Party Boats or by Historic Commercial Fishing Vessels berthed at the Harbor, and only subject to the rules indicated herein below.

An Active Fishing Party Boat (as defined in Item 800) may conduct Non-Sportfishing Trips for hire from Fisherman's Wharf Harbor ("Non-Sportfishing Trips"), provided that:

(1) The vessel is no longer than 55 ft. and constitutes an ACTIVE FISHING PARTY BOAT, defined as: The Fishing Party Boat makes Sportfishing trips (as defined in Item 800) on a minimum of forty (40) days during each calendar year. Provided, however, in the event governmental regulations or acts of God during a calendar year make it impossible to conduct Sportfishing trips on a minimum of forty (40) days during that year, then the Executive Director of the Port shall have the authority to reduce the minimum number of days in that calendar year on which an Active Fishing Party Boat is required to make Sportfishing trips.

The proposed changes to this section reduce the minimum amount of Sportfishing Trips required per year.

Current Tariff Item No. 896.3

(3) The primary activity of the Active Fishing Party Boat is conducting Sportfishing trips as defined by the California Department of Fish and Game. Specifically, the number of days with each calendar year that the Fishing Party Boat conducts Sportfishing trips must exceed the number of days that it conducts only Non-Sportfishing Trips (as defined herein below). Days which an Active Fishing Party Boat conducts both Sportfishing trip(s) and Non-Sportfishing Trip(s) shall be deemed as a Sportfishing day.

Item No. 896 Section 3
further states the minimum
amount of Sportfishing Trips
vs. Non-Sportfishing Trips.

Proposed Changes

(3) The primary activity of the Active Fishing Party Boat is conducting Sportfishing trips as defined in Item No. 800. Specifically, Active Fishing Party Boats must conduct a minimum of forty (40) Sportfishing trips per calendar year.

The proposed changes to this section
eliminates the ratio of Sportfishing
Trips to Non-Sportfishing Trips, and
requires that vessels conduct a
minimum of 40 Sportfishing Trips
per calendar year.

Current Tariff Item No. 896.5

(5) NON-SPORTFISHING TRIPS are defined as trips which include: Scenic bay tours, wedding or other private parties, business meetings, or similar tours or charters. A trip shall not constitute a Non-Sportfishing Trip if it includes funerals, scattering ashes at sea, or whale watching, and it includes the open waters of the Pacific Ocean (beyond the imaginary line extending between Point Bonita and Mile Rock).

Item No. 896 Section 5
defines Non-Sportfishing
Trips.

Proposed Changes

(5) NON-SPORTFISHING TRIPS: are defined as trips which include but are not limited to: Scenic bay tours, wedding or other private parties, business meetings, whale watching, scatterings at sea, funerals, special on water events, recreational swims, or similar tours or charters.

The proposed changes to this section
further defines the term Non-
Sportfishing Trips to include all
activities other than Sportfishing.

Current Tariff Item No. 896

A six passenger fishing vessel may conduct Non-Sportfishing Trips, provided that:

- (1) The six passenger fishing vessel is berthed in Berth Nos. 8, 9, 10, 11, 12 or 13 of Fisherman's Wharf Harbor.
- (2) The six passenger fishing vessel meets all of the following requirements of the U.S. Coast Guard ("Regulatory Requirements"):
 - (a) Certificate of Documentation, with a Coastwise Endorsement and a rating of at least 5 tons or a current California Department of Motor Vehicles Vessel for Hire registration; and
 - (b) Master License to U.S. Merchant Marine Officer for captain; and
 - (c) Certificate of Participation in drug testing program for captain and deck hand(s)
- (3) Only one six passenger fishing vessel at any time shall solicit or load passengers.
- (4) Trips for hire shall be limited to a maximum of six passengers (paying or non-paying) plus one vessel crew member.
- (5) The berth holder or a member of the berth holder's immediate family must be on board the vessel assigned to the subject berth at least fifty percent (50%) of non-sportfishing trips.
- (6) The six passenger fishing vessel must carry an operational VHF Marine Radio on all trips.

This section outlines the eligibility of Six-Pac Fishing Vessels to conduct Non-Sportfishing Trips.

Proposed Changes

A six passenger fishing vessel may conduct Non-Sportfishing Trips, provided that:

- (1) The six passenger fishing vessel meets all of the following requirements of the U.S. Coast Guard ("Regulatory Requirements"):
 - (a) Certificate of Documentation, with a Coastwise Endorsement and a rating of at least 5 tons or a current California Department of Motor Vehicles Vessel for Hire registration; and
 - (b) Master License to U.S. Merchant Marine Officer for captain; and
 - (c) Certificate of Participation in drug testing program for captain and deck hand(s)
- (2) USCG Uninspected Passenger Vessel Safety Examination
- (5) Deleted

The proposed changes to this section allow all Six-Pac Fishing Vessels within Fisherman's Wharf Harbor to conduct Non-Sportfishing Trips, removes the requirement that a member of the owner's immediate family be onboard for 50 percent of all Non-Sportfishing Trips, and requires that all new Six-Pac vessels pass a USCG Auxiliary Uninspected Passenger Vessel Exam.

Current Tariff Item No. 897

In addition to Dockage due the Port pursuant to Section 8E hereof, the operator of a Fishing Party Boat or an Historical Commercial Fishing Vessel shall pay the Port Passenger Wharfage calculated at Seven percent (7%) of gross receipts from all non-Sportfishing trips. Said Passenger Wharfage shall be paid by the 20th of the following month. A Wharfage reporting form shall be submitted with Wharfage payment. No Passenger Wharfage shall be due the Port for sportfishing trips.

Item No. 897 defines
Passenger Wharfage.

Proposed Changes

In addition to Dockage due the Port pursuant to Section 8E hereof, the operator of a Fishing Party Boat or an Historical Commercial Fishing Vessel shall pay the Port Passenger Wharfage calculated at Seven percent (7%) of gross receipts from all non-Sportfishing trips. Passenger Wharfage shall be reported by submitting an approved Passenger Wharfage Report to the Harbormaster's Office by the 10th of the following month. Wharfage will be calculated and invoiced by the Harbormaster's Office, and paid by the 5th of the next month. No Passenger Wharfage shall be due the Port for sportfishing trips.

The proposed changes to this
Item changes the process by
which Wharfage is calculated
and invoiced.

Current Tariff Item No. 898

Prior to conducting Non-Sportfishing Trips, the berth holder shall furnish the Maritime Operations Manager with documentation evidencing compliance with the appropriate Regulatory Requirements and insurance requirements. In the event a berth holder conducts Non-Sportfishing Trips, the berth holder shall provide to the Port by the twentieth (20th) of the following month a report using the manifest form provided by the Port indicating the berth holder's Sportfishing trip and Non-Sportfishing Trip activity during the preceding month, and the number of passengers carried on Non-Sportfishing Trips along with a check payable to the Port of San Francisco for the passenger Wharfage. In addition, upon a minimum of 24 hours' notice from the Maritime Operations Manager, the berth holder shall provide evidence to the Maritime Operations Manager that the berth holder has been in compliance with all provisions of this schedule. Such evidence shall include, but not limited to:

- (1) Skipper's Log Book, maintained for the Department of Fish and Game; and
- (2) Trip monitor log, maintained for the Federal Communications Commission.

If in the judgment of the Maritime Operations Manager, based upon information provided by the berth holder or obtained independently by the Maritime Operations Manager, the berth holder is not in compliance with any of the rules and regulations contained in this schedule, then the berth holder's occupancy at Fisherman's Wharf Harbor shall terminate thirty (30) days after written notice from the Maritime Operations Manager. The berth holder shall have the right to appeal said termination to the Executive Director for the Port. In the event that the Executive Director confirms the decision to terminate the berth holder's occupancy, said occupancy shall terminate in accordance with the termination notice.

Item No. 898 describes the process for Wharfage reporting.

Proposed Changes

Prior to conducting Non-Sportfishing Trips, the berth holder shall furnish the Maritime Operations Manager with documentation evidencing compliance with the appropriate Regulatory Requirements and insurance requirements. In the event a berth holder conducts Non-Sportfishing Trips, the berth holder shall provide to the Port by the Tenth (10th) of the following month a report using the manifest form provided by the Port indicating the berth holder's Sportfishing trip and Non-Sportfishing Trip activity during the preceding month, and the number of passengers carried on Non-Sportfishing Trips. The Port will then calculate and invoice the berth holder for wharfage due payable by the Tenth (10th) of the following month. In addition, upon a minimum of 24 hours' notice from the Maritime Operations Manager, the berth holder shall provide evidence to the Maritime Operations Manager that the berth holder has been in compliance with all provisions of this schedule. Such evidence shall include, but not limited to:

- Skipper's Log Book, maintained for the Department of Fish and Game; and
Trip monitor log, maintained for the Federal Communications Commission.

If in the judgment of the Maritime Operations Manager, based upon information provided by the berth holder or obtained independently by the Maritime Operations Manager, the berth holder is not in compliance with any of the rules and regulations contained in this schedule, then the berth holder's occupancy at Fisherman's Wharf Harbor shall terminate thirty (30) days after written notice from the Maritime Operations Manager. The berth holder shall have the right to appeal said termination to the Executive Director for the Port. In the event that the Executive Director confirms the decision to terminate the berth holder's occupancy, said occupancy shall terminate in accordance with the termination notice.

The proposed changes reflect changes include the invoicing of Passenger Wharfage by the Port.

Current Tariff Item 1000

*Proposed Changes Item 1000

PASSENGER FEE:

Disembarking Passenger	\$12.00 each
In-Transit Passenger	\$12.00 each
Embarking Passenger	\$12.00 each

PASSENGER FEE:

Disembarking Passenger	\$18.00 each
Disembarking Passenger	\$18.00 each
In-Transit Passenger	\$18.00 each


*Effective
1/1/15



MEMORANDUM

September 4, 2014

TO: MEMBERS, PORT COMMISSION
Hon. Leslie Katz, President
Hon. Willie Adams, Vice President
Hon. Kimberly Brandon
Hon. Mel Murphy
Hon. Doreen Woo Ho

FROM: Monique Moyer 
Executive Director

SUBJECT: Informational Item - The Port's Yearend Report on Contracting Activity for FY 2013-14 (July 1, 2013 through June 30, 2014)

I. SUMMARY

This report provides the Port Commission and the public with information on contracting activity for Fiscal Year 2013-14 (July 1, 2013 through June 30, 2014). The report covers professional services and construction contracts. At the request for the Port Commission, this report covers both LBE prime contractor and subcontractor awards and payments. This methodology is new from prior annual reports which reported only subcontractor awards and payments.

A. Total Value of New Contracts issued in FY 2013-14: \$4.6 million (12 contracts). During FY 2013-14, the Port issued 3 new construction contracts, 6 new professional services contracts, and 3 new as-needed environmental contracts for a cumulative value of \$4.6 million. Of these 12 contracts, 7 were awarded to City-Certified Local Business Enterprises (LBEs) as prime contractors for a value of \$1.44 million, or 31% of the contract awards. Combined with awards for contracts with LBE subcontractors (valued at \$1.15 million), the contracts awarded in FY 2013-14 include 56% in total LBE contract awards. This stellar result is due to expanding the Port's micro set-aside program and expanding the Port's outreach program.

All the professional services contracts (6) and one of the construction contracts were exempt from the City's Administrative Code Section 14B, which governs LBE participation, due to their small contract size. Additionally, in the case of the contract with the San Francisco Conservation Corp, the City's Contract Monitoring Division

THIS PRINT COVERS CALENDAR ITEM NO. 11A

(CMD) granted a waiver of the LBE requirements at the Port's request. The Port requested this waiver because the youth employment scope is a single scope of work which does not lend itself to subcontracting opportunities and the pool of qualified firms are primarily nonprofits that are not certified as LBEs. However, because 3, or 50 percent, these 6 exempt contracts were awarded to prime contractors who are LBEs, the Port will achieve strong LBE participation from these exempt agreements.

B. Total Professional Services and Construction Contract Payments to LBE prime contractors and subcontractors in FY 2013-14: \$22.5 million (33%).

In FY 2013-14, total Port contract payments totaled \$67.5 million, of which \$22.5 million was paid to LBE prime contractors (\$0.74 million) and subcontractors (\$21.7 million). This amount equates to 33% of total contract payments. For contract agreements that are subject to the City's Section 14B, Port payments totaled \$50.2 million, of which \$15.1 million, or 30%, was paid to LBE subcontractors. This payment performance well exceeds both the Port's performance last year (18%) and CMD's cumulative FY 2013-14 subcontracting goal of 16.4% for the Port's contract agreements subject to the Section 14B requirements.

II. BACKGROUND

The Port engages in a variety of contractual transactions that include: leases, developer agreements, construction contracts, general services contracts, and professional services contracts. This report specifically addresses the Port's use of professional services contracts and construction contracts.

A. Compliance with Nondiscrimination Laws, Rules and Regulations: The Port must comply with federal, state, and local laws concerning nondiscrimination in contracting. Construction contracts, general services contracts, and professional services contracts are subject to the San Francisco Administrative Code Section 14B LBE subcontracting participation requirements. The LBE program was established to expand City contracting opportunities for small San Francisco based companies – as are defined based on gross receipts. Local firms apply to and are certified by the City's General Services Agency Contract Monitoring Division (CMD). When participating as a prime contractor or as part of a Joint Venture, Certified LBEs receive bid discounts. For contract agreements that fall within San Francisco Administrative Code Section 14B, the CMD also sets LBE subcontracting goals through a process in which CMD staff reviews the scope of the project, the nature of the work compared to available Certified LBEs, and sets a required LBE subcontracting goal as a way to provide work to Certified LBEs. CMD determines compliance with subcontracting goals at the time the contract is closed-out.¹ The LBE program applies only to City contracts. City contracts are

¹ LBE subcontracting goals are calculated on the base contract amount. Following CMD policy, contract allowances, alternates or contingencies are not factored into calculating final LBE participation rates. CMD reviews on a case-by-case basis, contract amendments that result in a cumulative increase in the total contract amount of 20 percent or more. CMD may apply LBE subcontracting goals to these contract amendments based on a review of the additional work.

exempt from the LBE program if 1) the contract value is less than \$50,000, 2) Federal law, as in the case of grant funds, prohibits the use of local preference, or 3) the Board of Supervisors or the San Francisco General Services Agency Contract Monitoring Division (CMD) waives LBE subcontracting goals, as in the case of an emergency contract.

B. Use of Professional Services Contracts: Professional Services are those services which require the exercise of discretion and independent judgment in their performance, and/or the application of an advanced, specialized type of knowledge, expertise, or training. Examples of professional service providers include architects, engineers, software developers, and consultants. The City's Civil Service Commission must approve all Professional Services contracts. The Civil Service Commission determines whether the requested services can be performed by City employees or whether the Department can justifiably contract out the services. The Port contracts for professional services only when work cannot be performed by the Port or other City employees because of the limited nature of the work, peak workload obligations, lack of specific expertise, or as otherwise required based upon financial risk, funding or other legal requirements.

C. As-Needed Contracts: As-Needed contracts are Professional Services contracts which the Port uses for as-needed services. The Port has eleven current As-Needed contracts through Master Agreements with a total contractual value of not to exceed \$10.5 million. Master Agreements are negotiated upon Contractor pre-qualification through formal, competitive Request for Qualifications (RFQ) processes. These agreements usually have a three-year term. Master Agreements require the issuance of Contract Service Orders (CSO) for specific scopes of work for as-needed services. LBE subcontracting goals apply overall to each Master Agreement and for each CSO.

- D. Report Organization:** This report is organized into three key sections.
1. Use of Delegated Authority by the Executive Director
 2. Local Business Enterprise (LBE) Contract Awards and Participation
 3. Compliance with Local Hire Requirements

Attachment 1:	Contracts Awarded in FY 2013-14
Attachment 2:	As-Needed Contract Payments
Attachment 3:	Construction Contract Payments
Attachment 4:	Professional Services Contract Payments

1. FY 2013-14 Use of Delegated Authority by the Executive Director: \$592,687 (7 contracts)

To streamline the Port's contract approval process and to be consistent with the San Francisco Administrative Code and the practice of other City departments, the Port Commission has delegated the following authority to the Executive Director (Resolution No. 10-60):

- Public works and improvement contracts \$400,000
- Professional services contracts \$100,000

Delegated authority allows the Port's Executive Director to execute and award public works and improvement and professional services contracts at or under the above listed threshold limits without Port Commission review and approval.

During the reporting period, the Executive Director authorized the approval of five (5) professional services contracts and two (2) construction contracts as follows:

Table 1: Contracts Executed Using Executive Director Delegated Authority

Contractor Name	LBE Status	Service	Contract Amount
Esther Reyes	LBE	Contract services support	45,000
Catharine Hooper	Non-LBE	Professional maritime services	9,999
Ralph Andersen & Associates	Non-LBE	Executive Recruitment	35,000
David Perry & Associates	Non-LBE	Public Relations and Media Services	5,000
Landis Communications	LBE	Media Consultant	25,000
JDB & Sons Construction Inc	LBE	Pedestrian Circulation Improvement	109,730
JDB & Sons Construction Inc	LBE	Pier 50 Covered Storage Shed	362,958
		Total	\$592,687

2. FY 2013-14 LBE Contract Participation: \$2.58 million, or 56% of total contract awards of \$4.58 million

Contracts Awarded in FY 2013-14

Between July 1, 2013 and June 30, 2014, the Port awarded 12 new contracts with a cumulative not-to-exceed amount of \$4.6 million. Of these 12 contracts, 7 were awarded to LBEs for a value of \$1.4 million, or 31% of the contract awards. Of these 12 contracts, four met Administrative Code 14B thresholds and include required LBE subcontracting goals between 8% and 21%. Prime contractor awards combined with LBE subcontracting goals resulted in 56% LBE awards, or \$2.58 million awarded to LBE prime contractors and subcontractors. The Port's use of micro set-asides and targeted outreach has resulted in an unprecedented share of contracting work awarded to LBEs. The chart on the next page reflects contract awards, not spending performance.

Table 2: Summary of Contracts Awarded in FY 2013-14

Project title	Contract Amount \$	LBE Subcontracting Goal \$ (%)	LBE Prime Contract Award \$	Total LBE Subcontracting Contract Award \$
Construction				
LBE applicable contracts (1)	625,547	\$50,044 (8%)	295,265	330,282
Micro-LBE contract (2)	484,455		275,724	25,116
Total Construction	1,110,002		570,989	355,398
Professional Services (6) – All 14B Exempt	469,999		355,000	0
As-Needed Environmental (3)	3,000,000	\$630,000 (21%)	510,000	790,000
Total Amount (12 Contracts)	4,580,001		1,435,989	1,145,398

Total LBE = \$2,581,387

Actual Contract Payments. In FY 2013-14, the Port made \$67.6 million of contract payments, of which 33% or \$22.5 million was to LBEs and Small Business Enterprises (SBEs).

Table 3 – Contract Payments and LBE Participation for FY 2013-14

Amount Paid Between July 1, 2013 and June 30, 2014

Contract Type	Total	LBE Primes	LBE Subs	Total LBEs	% LBE	% LBE Subs
As-Needed Contracts	\$1,568,472	\$119,772	\$484,654	\$604,426	39%	31%
Construction*	48,371,726	586,010	14,572,777	15,158,787	31%	30%
Professional Services*	263,624	36,388	68,812	105,200	40%	26%
Subtotal: 14B Contracts	\$50,203,822	\$742,169	\$15,126,243	\$15,868,412	32%	30%
Non-14B Construction	17,079,647	-	6,619,970	6,619,970	39%	39%
Non-14B Professional Services	236,447	-	1,008	1,008	0%	0%
Subtotal: Non-14B Contracts	\$17,316,094	\$0	\$6,620,978	\$6,620,978	38%	38%
Total Contract Payments	\$67,519,916	\$742,169	\$21,747,221	\$22,489,390	33%	32%

*Includes mirco set-aside contracts

For further details on contracting activities described in the above table, please see *Attachments 2, 3 and 4*.

As-Needed Contracts. The Port maintains as-needed contracts for Real Estate, Engineering and Environmental Services. The Port expended \$1.57 million on these services last year and 39 percent or \$0.6 million was paid to LBE prime contractors and subcontractors. Subcontractor payments totaled \$0.48 million or 31% of the total payments which far exceeds the CMD required goal of 23%. This stellar contract payment performance is a result of Port staff working collaboratively with CMD to identify both prime and subcontractor LBE opportunities with each Contract Service Order (CSO). Real Estate services were especially strong with 52% of dollars paid to LBEs.

Construction Contracts. The Port had major construction activities in FY 2013-14 and expended \$65.5 million on construction contracts, of which \$21.8 million or 33% was paid to LBE primes and subcontractors. This exceptional result is from working with CMD to expand the Port's micro-LBE program, to conduct concerted and targeted outreach, and from having more LBE contractors successfully compete as prime contractors and join successful bidders as subcontractors. The work the Port Commission and staff have done to expand outreach is now evidenced in our contract spending. Notably, the CMD required goals for 14B construction contracts is cumulatively 15% as compared to the Port's actual performance of 31%. All construction contracts met or exceeded the CMD required subcontracting goal except for maintenance dredging. As reported in several prior contracting reports, the 3% LBE sub contracting goal which CMD set was based on the estimated need for trucking contaminated dredge spoils for landfill disposal. However, little of the Port dredging work has required landfill disposal of the dredged spoils. Based on the locations of the planned dredging work, the Port expects that the contractor will not have the opportunity to meet the 3% goal over the life of the contract, as the Port does not expect significant contamination at the planned dredging sites.

The Port had two construction contracts not subject to the LBE program. Both contracts were with Turner Construction: one for the Federal portion of the Cruise Terminal project, and one for the Fire Repair Project at Pier 29. The Fire Repair Project was issued as an emergency contract in FY 2012-13 and the Board of Supervisors waived the LBE requirements. However, while exempt from local subcontracting goals, the Federal portion of the Cruise Terminal project included a Small Business Enterprise (SBE) program per Federal regulations and achieved 41% SBE participation in FY2013-14.

Professional Services Contracts. The Port expended \$0.5 million on professional services contracts in FY 2013-14, of which \$0.1 million were payments to LBEs. The professional services contracts that are subject to Section 14B and include a required subcontracting goal achieved 40% LBE participation. This exceptional result is due to expanding the micro LBE program and to AECOMs strong use of subcontractors in the

Crane Cove Park design project. Subcontracting performance was 30%, well out performing CMD's cumulative subcontracting goal of 23%.

As shown in Attachment 4, for the vast majority of professional service contracts, spending to subcontractor LBEs was on track or outperforming the CMD requirements at contract close-out. The only exception is the Financial Advisory Services contract. When this contract was developed and the LBE goal established, the Port anticipated the work to be performed as only the issuance of Port revenue bonds during the life of the contract. Instead, the Port relied on City Certificates of Participation to help fund America's Cup improvement projects and Phase I of the Cruise Terminal project. The Port's Financial Advisor, Public Financial Management, provided this financial analysis due to the required financial modeling expertise. The Port issued revenue bonds this last fall and utilized a strong and diverse team; however, while diverse, none were certified LBEs but they were minority firms.

In summary, the Port's contract spending in FY 2013-14 showed marked improvement in the proportion of dollars directed to LBEs from prior years. Payments to subcontractors for Section 14B contracts exceed cumulative CMD goals of 16.4%, by almost double, with 30% performance. This positive performance is a clear result of the Port Commission's engagement and direction as well as Port staff and CMD efforts which began several years ago to expand outreach and grow the micro set-aside contracting programs.

4. Compliance with Local Hire Requirements

The San Francisco Local Hiring Policy for Construction applies construction projects advertised for bid after March 25, 2011 that pertain to public works or improvements that are City funded with an engineer's estimate above \$400,000.

The Local Hire Ordinance (Section 6.22.G.4 of the San Francisco Administrative Code) requires contractors and their subcontractors to attain a minimum of 30%² total work hours by trade per project using San Francisco residents. The Ordinance also requires that 25% of apprentice hours per trade be performed by disadvantaged San Francisco residents. The program is managed by the Office of Economic and Workforce Development (OEWD).

Table 4 below shows the performance of the Port's 10 projects subject to Local Hire requirements.

² Local Hire requirements increase from 20% to 25% on applicable contracts solicited after March 2012, and to 30% after March 2013.

Table 4: Local Hire Performance for FY 2013-14**Projects subject to 20% Local Hire**

Project	% Completion	Total Work Hours			Apprentice Hours		
		Total	Local Hire	Local Hire %	Total	Local Hire	Local Hire %
Cruise Ship Terminal	94%	165,869	45,557	27%	26,242	10,718	41%
Brannan Street Wharf	100%	48,127	9,905	21%	7,005	2,171	31%
AC34 Improvements	100%	21,656	3,297	15%	3,638	980	27%
Pier 33½ Improvements	100%	13,533	6,092	45%	1,699	1,297	76%
Hyde St Harbor JOS Building	100%	12,285	2,507	20%	2,145	886	41%
Heron's Head Park	100%	10,852	2,323	21%	394	216	55%
Pier 35 North Apron	100%	4,114	2,792	68%	8	0	0%
Pier 50 Valley	100%	7,819	899	11%	355	226	64%
Roundhouse 2 HVAC	100%	545	213	39%	16	0	0%
Sub Total		284,801	73,585	26%	41,501	16,491	40%

Projects subject to 25% Local Hire

Project	% Completion	Total Work Hours			Apprentice Hours		
		Total	Local Hire	Local Hire %	Total	Local Hire	Local Hire %
Pier 23 Electrical	100%	1,370	903	66%	215	0	0%
Total		286,170	74,488	26%	41,716	16,491	40%

During FY 2013-14, Port projects provided 74,488 work hours and 16,491 apprentice hours to local residents.

Notably, the table above shows some projects below the local and apprentice hour requirements. The local hire and apprentice hours must be provided over the life of the contract, not within a fiscal year. Further, contractors are allowed to request conditional waivers and exemptions from the local hiring requirements. OEWD reviews all requested waivers. OEWD advises that Port projects are on track to meet the requirements either through hours or through accepted waivers. Port staff is working closely with OEWD to ensure that the Port's contracts are meeting their obligations under the Local Hire Ordinance.

III. CONCLUSION

In FY 2013-14, total Port contract payments totaled \$67.5 million, of which \$22.5 million was paid to LBE primes and subcontractors. This amount equates to 33% of total contract payments. For contract agreements that are subject to Section 14B, Port

payments totaled \$50.2 million, of which \$15.1 million, or 30%, was paid to LBE subcontractors. This payment performance well exceeds both the Port's performance last year (18%) and CMD's cumulative subcontracting goal of 16.4% for the Port's contract agreements with payments made in FY 2013-14.

In FY 2013-14 the Port issued 12 contracts and 7 were awarded to City-Certified Local Business Enterprises (LBEs) for a value of \$1.44 million, or 31% of the contract awards. Combined with LBE subcontracting goals, the contracts awarded in FY 2013-14 include 56% LBE participation. This contract award performance indicates that FY 2014-15 will also be a strong year for LBE participation at the Port.

Port staff is very pleased to see the results of concerted efforts from the Port Commission, Port staff and CMD to expand contracting opportunities and looks forward to continued success. Port staff thanks the Port Commission for its vision and guidance and our partners at CMD for their creativity and support.

Prepared by: Elaine Forbes, Deputy Director
Finance & Administration

cc: Contract Monitoring Division, Boris Delepine

ATTACHMENT 1
CONTRACTS AWARDED IN FY 2013-14

Project title	Contract Amount	LBE Subcontracting Goal %	LBE Prime Contracting Amount	Total LBE Subcontracting Goal
Construction				
LBE applicable contracts (1)	625,547	8%	295,265	330,282
Micro-LBE contract (2)	484,455		275,724	25,116
Total Construction	1,110,002		570,989	355,398
Professional Services (6) – All 14B Exempt	469,999		355,000	0
As-Needed Environmental (3)	3,000,000	21%	510,000	790,000
Total Amount (12 Contracts)	4,580,001		1,435,989	1,145,398

ATTACHMENT 2:
As-Needed Annual Contract Service Orders, FY 2013-14
(July 1, 2013 - June 30, 2014)

AS-NEEDED CONTRACTS									
Total FY 2013-14									
As Needed Contracts (All 14B Contracts)	Project Title	Total Contract Amt.	LBE Goal %	LBE Goal Amount	Total Payments in FY	Total Non-LBE	LBE Prime Payments	LBE Sub Payments	Total LBE Payments
Overall LBE %									
Sub LBE %									
Real Estate*									
Bay Area Economics		\$500,000	22%	\$110,000	\$117,659	\$59,960	\$0	\$57,709	\$57,709
Seifer Consulting, LBE		\$500,000	22%	\$110,000	\$3,750	\$0	\$3,750	\$0	\$3,750
Economic Planning Systems		\$750,000	22%	\$165,000	\$154,261	\$16,428	\$0	\$85,371	\$85,371
Keyser Marston Assoc.		\$500,000	22%	\$110,000	\$192,200	\$15,541	\$0	\$96,037	\$96,037
Subtotal, Real Estate Services		\$2,250,000	22%	\$495,000	\$467,880	\$93,929	\$3,750	\$239,116	\$242,866
Engineering & Related									
Creagan + D'Angelo/E. Jordan, LBE (2013)		\$1,500,000	20%	\$300,000	\$2,106	\$2,106	\$0	\$0	\$0
Creagan + D'Angelo/AGS LBE, JV (2017)		\$1,500,000	21%	\$315,000	\$328,221	\$246,789	\$27,373	\$54,060	\$81,432
Winzer & Kelly/SDE JV		\$1,500,000	20%	\$300,000	\$78,061	\$44,032	\$0	\$34,029	\$44,044
URS/AGS JV**		\$1,500,000	20%	\$300,000	\$0	\$0	\$0	\$0	\$0
Ganwick/SDE JV		\$1,500,000	21%	\$315,000	\$230,155	\$136,329	\$25,150	\$68,676	\$93,826
PB/Structus Inc. LBE JV		\$1,500,000	21%	\$315,000	\$207,771	\$127,519	\$43,704	\$36,548	\$80,252
Subtotal, Engineering & Related		\$9,000,000	21%	\$1,845,000	\$846,311	\$556,775	\$96,227	\$193,312	\$299,539
Environmental & Related									
Baseline (2010)		\$1,000,000	20%	\$200,000	\$127,943	\$118,395	\$0	\$9,548	\$9,548
Baseline (2013)		\$1,000,000	22%	\$220,000	\$13,385	\$0	\$0	\$5,216	\$5,216
SCA Environmental		\$1,000,000	20%	\$200,000	\$0	\$0	\$0	\$0	\$0
Tetra Tech/AEW, LBE JV (2010)		\$1,000,000	22%	\$220,000	\$37,666	\$6,431	\$19,795	\$11,280	\$31,075
Wass Associates (2010)		\$1,000,000	20%	\$200,000	\$75,285	\$36,058	\$0	\$26,182	\$26,182
Subtotal, Environmental & Related		\$5,000,000	26%	\$1,300,000	\$254,278	\$160,884	\$19,795	\$52,226	\$72,021
TOTAL As-Needed Contracts		\$16,250,000	23%	\$3,655,250	\$1,588,472	\$811,588	\$119,772	\$484,654	\$604,426
Overall LBE %									
Sub LBE %									
Overall LBE %									
Sub LBE %									

Bolded Firms are City-Certified LBEs

* Post contract staff is working with project management staff to review the development of the contract services orders to ensure LBE opportunities

** URS/AGS JV is working on several homeland security related projects for which there is a limited number of LBEs available with the specific expertise or skills needed.

*** Post contracting and environmental staff will be meeting with Wass Assoc. and CMO staff to review the situation and develop a strategy to get Wass into compliance

ATTACHMENT 3:
Construction Contracts, FY 2013-14
(July 1, 2013 -June 30, 2014)

CONSTRUCTION CONTRACTS									
Total FY 2013-14									
Construction Contracts	Project Title	Total Contract Amt.	LBE Goal %	LBE Goal Amount	Total Payments in FY	Total Non-LBE	LBE Prime Payments	LBE Sub Payments	Sub LBE %
14B Contracts									
Anvil Building, LBE	Pier 23 Electrical Service Upgrade	\$471,325	26%	\$122,545	\$44,067	\$0	\$7,047	\$37,020	84%
Dutra	Brannan Street Wharf Park	\$13,537,803	9%	\$1,216,402	\$860,888	\$398,415	\$110,865	\$251,568	54%
Dutra	Maintenance Dredging 2011-15**	\$4,000,000	3%	\$120,000	\$1,417,292	\$1,417,292	\$0	\$0	0%
Cal State Constructors	Blue Greenway Signage	\$681,547	8%	\$54,524	\$326,934	\$25,300	\$209,134	\$94,500	29%
Turner	Pier 27 Cruise Terminal CM/GC	\$62,780,037	17%	\$10,672,606	\$44,907,114	\$30,926,144	\$0	\$13,980,970	31%
West Bay	Marine Structural Projects III	\$1,325,000	25%	\$331,250	\$300,357	\$221,474	\$0	\$78,883	26%
	Subtotal, 14B Contracts	\$82,795,709	15%	\$12,519,327	\$47,858,051	\$32,986,625	\$327,066	\$14,542,961	31%
Micro-LBE Contracts									
JDB Construction (LBE Prime)	Pier 50 Covered Storage Shed	\$374,725	N/A	N/A	\$399,970	\$224,315	\$150,539	\$25,116	44%
JDB & Sons Construction (LBE Prime)	Fisherman's Wharf Triangle Lot & SWL	\$109,730	N/A	N/A	\$113,108	\$0	\$108,405	\$4,700	100%
	Subtotal, Micro-LBE Contracts	\$484,455	N/A	N/A	\$513,075	\$224,315	\$258,944	\$29,816	56%
	Subtotal, 14B Construction Contracts	\$83,280,164			\$48,371,726	\$33,212,940	\$566,010	\$14,572,777	31%
Non-14B Contracts									
Turner	Pier 27 Cruise Terminal CM/GC (Federal)	\$21,007,569	N/A	N/A	\$16,282,680	\$9,662,690	\$0	\$6,619,970	41%
Turner	Pier 29 Fire Damaged Repair	\$13,045,985	N/A	N/A	\$796,987	\$796,987	\$0	\$0	0%
	Subtotal, Non-14B Contracts	\$34,053,554	N/A	N/A	\$17,079,667	\$10,459,677	\$0	\$6,619,970	39%
	TOTAL Construction Contracts	\$117,333,718	15%	\$12,519,327	\$65,451,374	\$43,672,617	\$586,010	\$21,192,747	33%
								\$21,778,757	

Attachment 4
Professional Service Contract, FY 2013-14
(July 1, 2013 -June 30, 2014)

PROFESSIONAL SERVICES CONTRACTS

Total FY 2013-14									
Professional Services Contracts	Service/Project Title	Total Contract Amt.	LBE Goal %	LBE Goal Amount for life of the Contract	Total Payments in FY	Total Non-LBE	LBE Prime Payments	LBE Sub Payments	Sub Overall LBE %
14B Contracts									
Public Financial Management	Financial Advisory Services	\$449,000	40%	\$179,600	\$136,159	\$0	\$0	\$20,925	15%
AECOM	Crane Cove Park	\$709,850	12%	\$85,182	\$91,078	\$0	\$0	\$47,867	53%
	Subtotal, 14B Contracts	\$1,158,850	23%	\$264,782	\$227,237	\$0	\$0	\$68,812	30%
Micro-LBE Contracts									
Media Consulting International, Micro LBE	150th Anniversary	\$58,425	N/A	N/A	\$7,025	\$0	\$7,025	\$0	N/A
Elathir Reyes, Micro LBE	Contracting Process Consulting	\$45,000	N/A	N/A	\$29,363	\$0	\$29,363	\$0	N/A
	Subtotal, Micro-LBE Contracts	\$103,425	N/A	N/A	\$36,388	\$0	\$36,388	\$0	N/A
	Subtotal: 14B Professional Services	\$1,262,275	23%	\$264,782	\$263,624	\$0	\$36,388	\$68,812	40%
Non-14B Contracts									
David Perry	Media Consultants	700,000	N/A	N/A	2,000	2,000	\$0	\$0	0%
Catharine M. Hooper	Maritime Operations Consulting	\$9,999	N/A	N/A	\$9,999	\$9,999	\$0	\$0	0%
Griegnan + D'Angelo	Pier 29 Fire Recovery	\$1,566,000	N/A	N/A	\$6,842	\$5,834	\$0	\$1,008	15%
Roger L. Paters	Foreign Trade Zone Consulting Services	\$45,000	N/A	N/A	\$12,972	\$12,972	\$0	\$0	0%
Ralph Andersen & Associates	Executive Recruitment	\$35,000	N/A	N/A	\$31,151	\$31,151	\$0	\$0	0%
O'Rourke	Media Consultants	\$95,000	N/A	N/A	\$2,561	\$2,561	\$0	\$0	0%
San Francisco Conservation Corps	Youth Employment Services	\$285,000	N/A	N/A	\$172,923	\$172,923	\$0	\$0	0%
	Subtotal, Non-14B Contracts	\$2,035,999	N/A	N/A	\$236,447	\$235,439	\$0	\$1,008	0%
	TOTAL Professional Services Contracts	\$3,298,274	23%	\$264,782	\$500,071	\$235,439	\$36,388	\$69,820	21%



MEMORANDUM

September 4, 2014

TO: MEMBERS, PORT COMMISSION
Hon. Leslie Katz, President
Hon. Willie Adams, Vice President
Hon. Kimberly Brandon
Hon. Mel Murphy
Hon. Doreen Woo Ho

FROM: Monique Moyer *M Moyer*
Executive Director

SUBJECT: Informational presentation by the San Francisco Planning Department Director regarding interagency coordination with the Port of San Francisco for waterfront planning and urban design

DIRECTOR'S RECOMMENDATION: No Action - Informational Presentation

At its September 9, 2014 meeting, the Port Commission again will welcome John Rahaim, Director of the San Francisco Planning Department. Mr. Rahaim will share the Planning Department's perspectives and insights on improvements, impacts of climate change and opportunities for the San Francisco waterfront.

As reflected in the 2014 Waterfront Land Use Plan Review report, the partnership between the Port and the Planning Department has been essential to realize the improvements that have taken place at the Port of San Francisco. The Port and the Planning Department share the same vision for the city and the Port, making San Francisco the world's most livable urban place – environmentally, economically, socially and culturally.

Prepared by: Amy Quesada
Port Commission Secretary

For: Monique Moyer
Executive Director

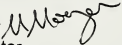
THIS PRINT COVERS CALENDAR ITEM NO. 12A



MEMORANDUM

September 4, 2014

TO: MEMBERS, PORT COMMISSION
Hon. Leslie Katz, President
Hon. Willie Adams, Vice President
Hon. Kimberly Brandon
Hon. Mel Murphy
Hon. Doreen Woo Ho

FROM: Monique Moyer 
Executive Director

SUBJECT: Joint Presentation by John Englander and Will Travis on Sea Level Rise

DIRECTOR'S RECOMMENDATION: No Action - Informational Presentation

As requested by Port Commission President Leslie Katz, the Port Commission will hear a joint presentation by John Englander and Will Travis on Sea Level Rise at a time certain of 4:00 p.m. on September 9, 2014. Sea level rise is a critical issue for the Port, its neighbors and its partners and will guide the Port's policies and investments for the next century. The Port is honored to have two such experts to continue the Port Commission's discussion of this important topic.

John Englander is an oceanographer and global ocean explorer with expeditions under the polar ice cap, deep dives in research submarines and visits to Greenland and Antarctica. A leader in the marine environmental arena in both the private and nonprofit sectors, Mr. Englander served as CEO for organizations such as The Cousteau Society and The International SeaKeepers Society, and The Underwater Explorers Society (UNEXSO). Just one week before 2012's Hurricane Sandy, he described a "super storm" hitting Atlantic City and New York City. Mr. Englander is the author of the bestselling book, *High Tide on Main Street: Rising Sea Level and the Coming Coastal Crisis*. He is the founder of a consulting practice specializing in sea level rise education, risk and vulnerability assessments, scenario planning and adaptation due diligence. A copy of Mr. Englander's credentials is attached hereto.

Will ("Trav") Travis served for more than 25 years as the Executive Director of the San Francisco Bay Conservation and Development Commission. In that role, Mr. Travis worked tirelessly to preserve the ecology and footprint of San Francisco Bay. Ultimately

THIS PRINT COVERS CALENDAR ITEM NO. 12B

he recognized the long-term challenge to bay management and planning posed by sea level rise from climate change and helped elevate it for the general public and municipalities. He continues to do so as a consultant, writer, teacher and speaker on climate change, and particularly sea level rise adaptation. A copy of Mr. Travis' biography is attached hereto.

Mr. Englander and Mr. Travis will share their perspectives and insights on risks and impacts of sea level rise on the Port and the City as a whole.

Prepared by: Amy Quesada, Commission Secretary

For: Monique Moyer, Executive Director

Attachments

JOHN ENGLANDER

1044 NW 7th Street, Boca Raton, FL 33486

+1 (954) 684-5859 *johnenglander1@gmail.com*

OVERVIEW

John Englander has been a leader in the marine environmental arena in both the private and nonprofit sectors. As an author and expert on sea level rise he consults with corporations, communities and government agencies. His nonprofit leadership roles included CEO of The Cousteau Society and the International SeaKeepers Society. In his entrepreneurial career, he developed the world's largest sport diving operation. Englander's high level network spans science, government, and the corporate world.

EXPERIENCE

RIISING SEAS GROUP, INC. (formerly d/b/a Englander Consulting)

2009 - Present

President

Founded a consulting practice specializing in sea level rise education, risk and vulnerability assessments, scenario planning and adaptation due diligence. Corporate and government clients have included: Marstel-Day Environmental Consultants (for US Air Force), Booz Allen Hamilton, US Department of Homeland Security, Google, County of San Mateo, Bay Planning Coalition, Miami Beach Chamber of Commerce, Marine Conservation Institute, Global Environment & Technology Foundation, Haida Salmon Restoration Corporation, and Sub Aquatic Systems (research submarines).

THE INTERNATIONAL SEAKEEPERS SOCIETY

CEO

2004-2009

Transformed a nonprofit that developed innovative ocean monitoring technology for installation on mega-yachts and other vessels. Rebuilt the team and the culture--strengthened the science; developed new markets; established high level government relations; doubled number of systems deployed globally on diverse vessels and other platforms; licensed out technology; reduced overhead by 80%. Created a program for the yacht captains. Directly responsible for fundraising of more than a million dollars from high net worth individuals and private foundations. Published "Critical Ocean Issues," a primer on ocean problems and policies.

ENGLANDER & ASSOCIATES, INC.

President

1999 - 2004

Consulting firm focused on the marine and tourism industries, specializing in strategic planning, financial evaluation and branding/positioning. Clients ranged from diving equipment manufacturers to Caribbean hotel chains. Diverse projects included assembling a private equity group for the acquisition, turn-around and sale of a firm manufacturing underwater vehicles.

OLD BAHAMA BAY

Executive Vice President

1998 - 1999

Led a team on Grand Bahama Island for a 150-acre environmentally sensitive real estate development that included a hotel, marina and residential properties. Responsible for marketing, engineering, legal, governmental and community relations.

THE COUSTEAU SOCIETY

CEO & Director

1997

Personally recruited by Jacques-Yves Cousteau to revitalize the struggling Cousteau Society. Oversaw offices in US and Europe; annual budget \$6-8M. Within 90 days fulfilled goal of creating an innovative new positioning and business plan, building on the past and bridging to the future. Captain Cousteau's untimely death aborted the process and implementation.

UNDERWATER EXPLORERS SOCIETY (UNEXSO)

CEO/Owner

1974-1997

Turnaround of prestigious but failing resort diving complex, based in Freeport, Grand Bahama. Grew the business from a few hundred thousand annually to \$7 million, making it the largest sport diving operation in the world, with approximately 50,000 customers annually. Developed numerous innovations including an ocean dive with dolphins and hand-feeding of Caribbean Reef sharks; instructional programs teaching more than 3,000 new divers annually; led marketing efforts up to Bahamas government Cabinet level. The very successful business included a staff of 85, fleet of 12 boats, bar & restaurant, and large retail operation.

OTHER PREVIOUS POSITIONS / EXPERIENCE

- Marine Conservation Institute - Senior Advisor
- Ocean Futures Society - Chairman
- NAUI (National Association of Underwater Instructors) - Acting CEO; Chairman of the Board
- PADI Foundation - Director
- Bahamas Air-Sea Rescue Association (BASRA - Grand Bahama) - Chairman
- Leader of study groups to Antarctica and Greenland - 2006, 2007
- Leader of High Arctic Diving Expeditions - 1985, 1987

CREDENTIALS & AFFILIATIONS

- Fellow of the Institute of Marine, Engineering, Science, and Technology (IMarEST) - 2009
- Fellow of The Explorers Club - 2013 (Member since 1984)
- Climate advisor: Global Environment & Technology Foundation
- Special Advisor On Climate: Friends of the United Nations
- Member of The American Geophysical Union (AGU)

- Member of the American Association for the Advancement of Science (AAAS)
- Member of the Union of Concerned Scientists
- Member of Marine Technology Society
- Master Scuba Instructor (PADI, NAUI, SSI) approx. 5,000 dives
- Licensed Pilot – multi engine & instrument rating; 3,000+ hrs. Pilot-in-Command

PUBLICATIONS

- [Book] *"High Tide on Main Street: Rising Sea Level and the Coming Coastal Crisis"*, The Science Bookshelf, October 2012
- *"Superstorms and Rising Sea Level Present A New Challenge For Ports"* co-author with Austin Howard Becker, Ph.D., SEAPORTS Magazine, Vol. 33 - Summer 2014, American Association of Port Authorities
- *"Are Rising Seas a Business Risk? Don't Ask the IPCC"*, co-author with Mark Trexler, Ph.D., *GreenBiz.com*, April 2014
- *"Green and Sustainable Will Not Stop Rising Sea Level"* published by LinkedIn April 2014
- *"High Tide On Main Street: America's Small Businesses Must Adapt to Rising Sea Level"* co-author with Rebecca R. Rubin, *Climate Change Business Journal*, December 2013
- *"Adapting Everglades Restoration to Rising Sea Level"*, The Arthur R. Marshall Foundation, July 2013
- *"In Sandy's Wake"*, The Explorers Journal, January 2013.
- *"Hurricane Sandy's Timely Reminder to Take Sea Level Rise Seriously"*, RTCC, January 2013.
- *"Don't Panic, But the Shoreline is Moving Inland"*, Disinformation Blog, November 2012.
- *"A Clear Voice on Climate Change and Ocean Impacts"* blog/website www.johnenglander.net 2011-Present
- *"Applying Jacques Cousteau's Wisdom"* Climate Progress blog, June 2011
- *"Critical Ocean Issues"*, Editor & contributing author, August 2009.
- *"State of the Oceans - A New Perspective"*, September 1996.

WORKSHOPS / BRIEFINGS / PRESENTATIONS / MEDIA

Workshops and Briefings:

- *"Planning for Sea Level Rise in San Mateo County"* Plenary Address, June 27, 2014 Foster City, California with Member of Congress, County Supervisors, 20 Mayors and city management
- *"Melting Ice, Rising Seas, Shifting Shorelines: The New Normal"* public lecture, Aquarium of the Bay, Pier 39, San Francisco, June 26, 2014
- *"Rising Seas and Risk"* 3 hour seminar for the Bay Planning Coalition, at the Port of San Francisco, June 25, 2014
- *"Sea Level impact on the Everglades"* workshop, Arthur R. Marshall Foundation, Lake Worth, FL, May 2014

- Workshop “Rising Seas: Planning for the Inevitable”, City of San Francisco, May 2014
- TEDx talk “Sea Level Rise: Fact and Fiction” Boca Raton May 9, 2014 (Youtube post date June 11, 2014)
- Coastal Vulnerability Assessment - Alaska Radar Sites, US Air Force, under contract to Marstel-Day Environmental Consultants, April 2014
- Naval Station Norfolk, Briefing for Captain in Charge, NAVFAC Mid Atlantic April 2014
- Briefing Miami Beach Blue Ribbon Panel on Flooding, April 2014
- Expert testimony to Dade County Sea Level Rise Task Force, Miami, March 2014
- Google HQ workshop: Environmental Impacts on Bay Area Real Estate February 2014
- Corporate Briefing “Rising Seas and Shifting Shorelines: Anticipating and Adapting to the New Era” to Booz, Allen, Hamilton, Washington DC, February 2014
- “Preparing for Sea Level Rise” Briefing SPUR, San Francisco, CA, December 2013
- Briefing “The Impacts of Rising Sea Level on the Legal Profession” Nixon-Peabody Annual Partners Meeting, Miami Beach, October 2013
- “Lessons from Hurricane Sandy. Sea Level Rise- A Game Changer,” U.S. Water Partnership, Washington, D.C., October 2013
- “Workshop with the Author – High Tide on Main Street” Sustainability Series. Laverne College, Webinar, October 2013
- Expert Advisor, Netherlands Fact Finding Trip, Miami Beach Chamber of Commerce, September 2013
- Briefing US Green Building Council- South Florida Chapter “Communicating Climate Change” July 2013
- Briefing “Time To Adapt” C2ES Business Environment Leadership Council, Washington, D.C., July 2013
- Department of Homeland Security, Executive Team Briefing, Washington, D.C. June 2013
- Staff Workshop: “The Coming Coastal Crisis” Global Environment and Technology Foundation, Arlington VA June 2013
- “Rising Seas & Shifting Shorelines: Financial Tsunami On The Horizon” Neuberger-Berman, Investment Advisors, New York, NY, May 2013
- Workshop “Sea Level Rise: How Bad Could It Get?” World Ocean Council-Sustainable Ocean Summit, Washington DC, April 2013
- Workshop: “The Invisible Connection: Air Emissions Will Move the Shoreline”, Bay Area Air Quality Management District, San Francisco, March 2013
- Workshop Panel member “A Rapidly Changing Arctic, NCSE Annual Conference: Disasters and the Environment, Washington, D.C., January 2013

Presentations:

- Keynote talk “Storms, Tides, and Sea Level Rise are Changing the Coastline ‘Forever’”, Florida Bar Association - Annual Environmental Land Use Law Section, Amelia Island, August 2014

- "Rising Seas: Planning for the New Era" keynote at Bay Planning Coalition – Decision Makers Conference, Oakland, CA, May 2014
- TEDx Talk "Sea Level: Fact and Fiction", Boca Raton, FL, May 2014
- Scripps Institution of Oceanography, La Jolla, presentation at Birch Aquarium and participation at Sea Level Adaptation workshop, May 2014
- "Rising Seas: The New Reality" Salon Lecture, President's House - Florida International University (FIU) April 2014
- American Meteorological Society, Lead speaker, "Connecting the Dots" annual Washington Forum, Washington, D.C. April 2014
- "Building Resilient Cities" GLOBE2014 Sustainability Conference, Vancouver, BC, March 2014
- "Rising Seas Update: IPCC and more", Vancouver Aquarium, March 2014
- "Melting Ice, Rising Seas, Shifting Shorelines" Ding Darling National Wildlife Refuge, Sanibel Island, January 2014
- County of San Mateo, Board of Supervisors, "Rising Sea Level: Planning Ahead for a New Reality" keynote at public Forum, December 2013
- "Visually Reframing the Potential Impact of Rising Sea Level" ACCO – Defense, National Security and Climate Change Symposium, Washington DC, December 2013
- "Rising Sea Level as a Tool to Communicate Climate Change" National Climate Data Center, Asheville, NC, November 2013
- "A New Way to Frame Sea Level Rise" Keynote Speech, Sea Level Rise Conference. Old Dominion University, Norfolk, VA, October 2013
- "The New Normal -- Storms, Tides, and Sea Level Rise: 5 Key Questions Your 2013 Business Needs to Ask to Be Prepared," Keynote Speech, EHS Management Forum. NAEM, Montreal, Canada, October 2013.
- "Melting Ice, Rising Seas, Shifting Shorelines: The New Reality," Lecture Series. New England Aquarium, Boston, MA, September 2013
- Harvard Coop, lecture and book signing, Cambridge, MA September 2013
- "Superstorms, Rising Seas, and Disappearing Coastline" Agora Financial Investor Symposium, Vancouver, BC, July 2013
- "Melting Ice, Rising Seas, Shifting Shorelines: The New Reality", Vancouver Aquarium, Vancouver, BC, July 2013
- "Sea Level Rise: Proof and Effect" Simon Fraser University - Carbon Talk Series, Vancouver BC July 2013
- "Saving the Shoreline: An Oceanographic Perspective" Protect Our Beaches Coalition, Boca Raton, June 2013
- "High Tide On South Beach", Miami Beach Chamber of Commerce Water Forum. Miami Beach, FL, June 2013
- "The Coming Coastal Crisis: Storms, Tides, and Sea Level Rise", Florida Earth Foundation, given in the Netherlands, May 2013

- “Rising Sea Level and the Coming Coastal Crisis”, George Washington University, Sustainability Program, Washington, D.C., April 2013
- “Storms, Tides, and Sea Level Rise” Cornell Club, New York City, April 2013
- “Sea Level: The Geologic Past Predicts the Coming Crisis” Explorer’s Club, New York, April 2013
- “Future sea level clues from ice age history,” Taras Oceanographic Foundation, Jupiter, FL, April 2013
- “Storms, Tides, and Sea Level Rise,” Keynote Speech, Miami Beach Design Challenge. Florida International University, School of Architecture, Miami Beach, FL March 2013
- “Don’t Panic, but the Shoreline is Moving Inland,” Keynote, ACCO Climate Leadership Conference. Washington, D.C., February 2013
- “Sea Level Rise: Truths and Myths,” Keynote Speech, E4 Climate Summit. West Palm Beach, FL, February 2013
- “Communicating Climate with a Visual, Disciplined Message,” Empowering Capable Climate Communicators, University of Miami, Coral Gables, FL, February 2013
- “Understanding the new era of rising sea level” Journalism and Mass Communications, Florida International University, Miami, FL, January 2013
- “Rising Sea Levels Demystified” Institute of Marine Engineering, Science, and Technology, Stanley Gray lecture series, London

Media:

- CCTV (China Central Television) Interview for “The Heat” in-depth news interview April 2014
- WPBT Public Television: Narrator and co-writer, half hour documentary “South Florida’s Rising Seas”, January 2014
- KQED, NPR radio interview by Craig Miller’s Science Program, San Francisco, December 2013
- “STOSSEL”, interview, Fox Business Channel, July 2013
- KPBS - NPR Public Radio, Interview, by Megan Burke, San Diego April 2013
- “Morning Joe” Interview by Joe Scarborough, MSNBC, April 2013
- Vital Voices of the Environment Series, online video with Rebecca Rubin, Marstel-Day, April 2013
- “Climate One” Panel and televised broadcast. Commonwealth Club, San Francisco, March 2013
- Sky News TV (London based) Live interview, aftermath of Hurricane Sandy, November 2012

EDUCATION / CERTIFICATES

Dickinson College, Bachelor of Science (dual majors Geology & Economics), Carlisle, PA

NAUI Certifications: Instructor Trainer; Course Director; Advanced Instructional Techniques; Educational Testing Design

BASRA Certification - Open Ocean Search and Rescue

OVERVIEW

Will Travis is a consultant, writer, teacher and speaker on climate change, and particularly sea level rise adaptation.

Will, who is usually referred to as "Trav," is a native of Allentown, Pennsylvania. He earned Bachelor of Architecture and Master of Regional Planning degrees in 1967 and 1970 respectively, both from Penn State University. During 1966, he studied architecture in London.

EXPERIENCE

From 1970 to 1972 he served as an assistant planner and urban designer at the San Francisco Bay Conservation and Development Commission, commonly called BCDC, which was the nation's first state coastal management agency when it was created in 1965 and which regulates development in the Bay and along its shoreline. He then spent a year as a consultant on the master plan for the East Bay Regional Park District. In 1973, he joined the staff of the newly-established California Coastal Commission where, between 1973 and 1985, he held a number of positions including heading the coastal agency's offshore oil drilling permit staff, directing its public access program, and overseeing its budget and administrative functions. He returned to BCDC in 1985 as Deputy Director and served as Executive Director from 1995 until 2011. At BCDC he built a coalition of business, environmental, and local government support that led to BCDC's unanimous adoption of the nation's first state coastal management agency development regulations for addressing sea level rise. In 2012 he served as the Senior Advisor to the Bay Area Joint Policy Committee, which is coordinating the efforts of four regional agencies to advance future economic prosperity and address climate change in the land use planning of the San Francisco Bay region. Based on his recommendation, the committee unanimously adopted a regional sea level rise adaptation strategy. His consulting clients have included ARCADIS US, ICF International, Briscoe Ivester & Bazel LLP, Marstel-Day, the Golden State Warriors, and PIER 39.

He has also worked in the fields of architecture, local planning, private consulting, advertising and public relations. He is a popular public speaker, has written many articles on coastal issues, has provided advice on coastal matters to other states and nations, and has been a lecturer at universities throughout North America.

AFFILIATIONS

Trav served as the chairman of a trustee committee, which managed a multi-million dollar oil spill settlement fund set up by Shell Oil Company after a 1988 oil spill in San Francisco Bay. In that capacity, he directed the public acquisition of a 10,000-acre property along the northern shoreline of San Francisco Bay, which will become one of the largest coastal wetland restoration projects in California's history.

He serves on the boards of directors of SPUR—the San Francisco Planning and Urban Research Association—and the EcoAdapt climate change adaptation innovation center. He is a member of the advisory council of the environmental consulting firm Marstel-Day, and Lambda Alpha, the honorary society for the advancement of land economics. He was a member of the National Research Council Roundtable on Climate Change Education. He has served the Board of Trustees of the Bay Area Council Economic Institute, on the steering committee of the Bay Area Alliance for Sustainable Communities; the project team of *Saving the Bay*, a KQED-TV video documentary; the KB Home Corporation Community Advisory Board; the board of directors of the Forum for the Future of San Francisco Bay, the Bay Bridge Alliance, and the California Biodiversity Council; and the San Francisco Bay Joint Venture management board; the San Francisco Bay Harbor Safety Committee; the steering committee of the Bay Area Transportation Choices Forum; the NOAA Coastal Services Center's national review group; the National Ocean Service's advisory group for the San Francisco Bay Project; the board of directors of the Friends of the Estuary; the San Francisco Estuary Institute's committee of policy advisors; and the editorial board of the newsletter *Estuary*. He also served a four-year term as a member of the Berkeley city planning commission and was the chair of a special City of Berkeley committee that worked in partnership with the University of California to develop a new plan for Berkeley's downtown.

AWARDS/PUBLICATIONS

Trav is the 2009 recipient of the Jean Auer Environmental Award, presented by the San Francisco Estuary Partnership, and the 2012 recipient of the Frank C. Boerger Award, presented by the Bay Planning Coalition. He and his wife, Jody Loeffler, are the authors of *Katherine's Gift*, a memoir of international adoption. They live in Berkeley, California.



SAN FRANCISCO PORT COMMISSION

**SEPTEMBER 9, 2014
MINUTES OF THE MEETING**

**MEMBERS, PORT COMMISSION
HON. LESLIE KATZ, PRESIDENT
HON. WILLIE ADAMS, VICE PRESIDENT
HON. KIMBERLY BRANDON
HON. MEL MURPHY
HON. DOREEN WOO HO**

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**MONIQUE MOYER, EXECUTIVE DIRECTOR
AMY QUESADA, COMMISSION SECRETARY**

CITY & COUNTY OF SAN FRANCISCO PORT COMMISSION

MINUTES OF THE MEETING SEPTEMBER 9, 2014

1. CALL TO ORDER / ROLL CALL

Port Commission President Leslie Katz called the meeting to order at 1:45 p.m. The following Commissioners were present: Leslie Katz, Willie Adams, Kimberly Brandon, Mel Murphy and Doreen Woo Ho.

2. APPROVAL OF MINUTES – August 12, 2014

ACTION: Commissioner Brandon moved approval; Commissioner Adams seconded the motion. All of the Commissioners were in favor. The minutes of the August 12, 2014 meeting were adopted.

3. PUBLIC COMMENT ON EXECUTIVE SESSION

4. EXECUTIVE SESSION

ACTION: Commissioner Woo Ho moved approval to convene in executive session; Commissioner Adams seconded the motion. All of the Commissioners were in favor.

At 1:45 p.m., the Commission withdrew to executive session to discuss the following:

(1) CONFERENCE WITH LEGAL COUNSEL AND REAL PROPERTY NEGOTIATOR – This is specifically authorized under California

Government Code Section 54956.8. *This session is closed to any non-City/Port representative:

- a. Property: Pier 38, located at Delancey Street and The Embarcadero
Person Negotiating: Port: Byron Rhett, Deputy Director, Planning and Development; Jonathan Stern, Assistant Deputy Director of Planning and Development
*Negotiating Parties: TMG Pier 38 Partners, LLC: Michael Covarrubias

5. RECONVENE IN OPEN SESSION

At 2:50 p.m., the Commission withdrew from closed session and reconvened in open session.

ACTION: Commissioner Brandon moved approval to adjourn closed session and reconvene in open session; Commissioner Adams seconded the motion. All of the Commissioners were in favor.

ACTION: Commissioner Brandon moved approval to not disclose any information discussed in closed session; Commissioner Adams seconded the motion. All of the Commissioners were in favor.

6. PLEDGE OF ALLEGIANCE

7. ANNOUNCEMENTS - The Commission Secretary announced the following:

- A. Announcement of Prohibition of Sound Producing Electronic Devices during the Meeting: Please be advised that the ringing of and use of cell phones, pagers and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing of or use of a cell phone, pager, or other similar sound-producing electronic device.
- B. Announcement of Time Allotment for Public Comments: Please be advised that a member of the public has up to three minutes to make pertinent public comments on each agenda item unless the Port Commission adopts a shorter period on any item.

8. PUBLIC COMMENT ON ITEMS NOT LISTED ON THE AGENDA

9. EXECUTIVE

A. Executive Director's Report

- *Chinese Whispers: Bay Chronicles at Heron's Head Park– September 13, 2014 at 12:30 p.m.*

Monique Moyer, Executive Director – On Saturday, September 13, 2014, there is a very unique exhibit coming to the waterfront. It's a sailing expedition and trans-media art installation called Chinese Whispers Bay Chronicles, which is going to retrace the history of the Chinese shrimp fishing industry in the Bay Area through a special sailing on a vessel called the Grace Quan, which is a 43-foot replica of the 19th century Chinese shrimp junket.

The project will culminate in a trans-media art installation at the San Francisco Maritime Museum in 2015. The sailing expedition is going to sail down the waterfront and arrive at Heron's Head Park on Saturday, where it will be berth from 12:30 to 3:30. As part of its time at Heron's Head, there will be a discussion on the neighborhood's history by Marine Biologist Andrew Cohen on the Bay shrimp and its ecological significance. Also, long-term Bayview residents Oscar James and Doris Vincent will

share their memories of the former Chinese shrimping community in Hunter's Point.

- Coastal Clean Up Day – September 20, 2014 at 9:00 a.m. to 12 noon

Saturday, September 20, 2014 is Coastal Cleanup Day. This is an annual statewide event. It is held on the third Saturday of every September. The event will take place from 9:00 a.m. to 12:00 noon all around the state. There are seven identified areas on the waterfront, the Bay waterfront side of the city. There will be volunteer site captains who will direct volunteers in helping to clean up our coastlines and Port staff and Recology and its staff will be coordinating with DPW as well.

The seven sites on Port property are: (1) Agua Vista Park – the site captain will be a Port representative; (2) Warm Water Cove - the site captain will be Green Trust; (3) Heron's Head Park - the site captain will be Rec and Park Greenager; (4) Pier 94 wetlands - the site captain will be Golden Gate Audubon Society; (5) Islais Creek Landing - the site captain will be Kayaks Unlimited; (6) Indiana/Tulare Promenade - the site captain will be Schools of the Sacred Heart; (7) Mission Bay Bayfront Park - the site captains will be Sea Scavenger with Hilton Hotels.

There's a broad outpouring of people who care about our waterfront and support it and who will be leading volunteers. We hope to see a lot of volunteers at the seven locations. It's a few more locations on our waterfront than normal. We usually have such a great outpouring of volunteers that we want to make sure that we can get every inch covered.

As part of Coastal Cleanup Day, another of our tenants, Aquarium by the Bay, is presenting a film called A Plastic Planet, which is a program about the impact of plastic and other marine debris on the health of our oceans. That ought to be very interesting as well. To find out timing of the shows, please go to their website, which is aquariumofthebay.org.

- Port Commission Meeting Offsite – September 23, 2014 at 1800 Oakdale Avenue, San Francisco

I wanted to remind everyone that we will be holding our first offsite meeting on September 23, 2014 at the Southeast Community Facility at 1800 Oakdale Avenue. Please plan to arrive early as parking is a little challenging, but there is public transit in the area, and we look forward to a good turnout from the community. Thanks to Commissioner Adams.

- Arrival of the Pier 27 James R. Herman Cruise Terminal Gangway

On Saturday, September 6, 2014 in the wee hours, the new gangway for the Pier 27 James R. Herman Cruise Terminal arrived by vessel. She

came in on a carrier BBC Hawaii and sailed under the Golden Gate Bridge and berthed at Pier 27. We just frantically finished doing a little dredging there. So, it all worked out perfectly.

This new gangway is built by FMT Corporation. They are a specialty company that builds passenger gangways for airports and seaports. There are not many around the world. There are two or maybe three companies that do this kind of work. They've been doing it for approximately 50 years and they are located in Sweden.

The new gangway is 190 tons. It can go as high as 43 feet, approximately four stories. It can serve the highest ships or extend out, depending on where the portals are on the ship as the ship is berthed, or be very low, depending on what the need is. The good news is it's ADA compliant, which'll be a nice upgrade for us. As you know, our gangways heretofore are not quite ladders, but they look like ladders in some cases. It will be enclosed. It can be heated. It can be air conditioned, as the case may be. It will be part of the world-class experience of coming in or out of our new terminal. We're very excited about that. We're indebted to both the ILWU Local 10 and to Metro Cruises for their help in unloading the vessel and preparing the gangway for installation. The ship is there until 7:00 p.m. if you'd like to see it. This is the one and only time you'll get to see a cargo ship at Pier 27.

- Pier 27 James R. Herman Cruise Terminal Opening – September 25, 2014 at 12 noon

Monique Moyer - Thanks to Vice President Adams, he reminded me that I did neglect to say one thing. Two weeks from now, on September 25, 2014 we will open our brand new Pier 27 James R. Herman Cruise Ship Terminal at 12:00 noon at Pier 27. Everyone from the public is invited. We are really excited about it. It is too long in the making. We're really looking forward to celebrating the work of all of the disparate groups that have come together and the vision of the Blue Ribbon Committee from many years ago now.

- Waterfront Land Use Plan Public Comment Deadline Extension – November 30, 2014

We took the Commission's recommendation, and we've offered to extend the deadline for public comment on the Waterfront Land Use Plan to November 30, 2014. Originally, we had proposed the end of this month, September 30. There's been a huge outpouring of interest in reviewing the Waterfront Land Use Plan Review. We think it appropriate to extend comments to the November 30 timeline and try to meet with as many public groups as possible in the next 60 days.

Commissioner Katz - Following up on that, Port staff has been receiving a lot of interest and feedback, correct?

Monique Moyer - Yes, we've been receiving a lot of interest. People are still making their way through the document. I don't know that we've received many actual comments yet. There will be a presentation. Brad and Diane and others will be making a presentation at NEWAG (Northeast Waterfront Advisory Group) this coming Monday night to start soliciting comments from our CAC groups, our community advisory groups, as well as we're reaching out as far and wide as we can. The requests for copies of the document have been very broad, and we've gotten a lot of positive comments on the format, the readability, and the pictures. People really enjoy seeing the before and after pictures.

- Giants Race – September 7, 2014

Commissioner Katz - Could you also comment on the run and the swim that so many Port staff participated in this past weekend?

Monique Moyer - On Sunday, September 7, 2014, the Giants held their Giants Race, which runs the length of the waterfront. Depending on your prowess as a runner, it extends from 5K all the way to a half marathon. If you participate in the half marathon, you would go from the Giants Ballpark all the way to the Golden Gate Bridge and back.

As part of the Giants Race on Sunday, Elaine Forbes and others were able to put together an event to celebrate Jennifer Matz and to raise money for pancreatic cancer research. There was an outpouring of approximately 325 people. Many in the room participated here today.

In addition to the portions that were hosted by the Giants, there was also a 62-mile bike ride, which several of our folks did, from the Giants Ballpark to Mount Tam, up and back. That was a six-hour endeavor for several of them. Several Port staff are half marathoners, including our very own Elaine Forbes. There was a swim in Aquatic Park, which several people participated in as well.

Afterwards, there was a celebration with Jennifer Matz, who is the Director of Waterfront Projects for the Mayor's Office, at AT&T Park, which was a wonderful turnout of people and from all over. Chuck Nevius reported it best in describing the broad community that came together, not just city staff, but also private industry, advocacy groups, people who have been touched by Jennifer in some way, came out to support her, not all of whom are athletes. Many came just to be supportive and were volunteers while many people trained for the event.

It was a wonderful event. Jennifer is really touched and honored. I gather that the original fundraising goal that Elaine set was a now measly

\$10,000. She was encouraged to go higher. So, she went to a quarter of a million, and a third of a million was raised. Over \$330,000 has been raised for pancreatic cancer research at UCSF.

Thank you to Elaine and many, many others who pulled this off, including Boris Delepine from the Contracts Monitoring Division, formerly HRC. So, it was a real effort of love on behalf of a colleague as well as a desire to beat pancreatic cancer.

- In Memoriam:

- George Pasha III, Chairman of the Pasha Group

There's been a lot of media attention in the recent passing of some very notable iconic folks in our world. More locally, there are some very important people who have passed away in the last couple of weeks.

The first is George Pasha III. Mr. Pasha passed away on August 20, 2014. He is the Chairman of the Pasha Group. Mr. Pasha was 79 years old and spent his entire life at the waterfront in some fashion. His dad, George Pasha Senior, established a service station, the Flying A Service Station, five days after Pearl Harbor on December 12, 1941. He set it up at Bay Street and Van Ness Street, across the street from Fort Mason.

Fort Mason was, of course, one of the primary areas of deploying servicemen, primarily men, but servicemen and women to the Pacific following Pearl Harbor. It turns out that they needed a place to store their private automobiles. George Pasha Senior was very entrepreneurial and grew his service station business into an auto storage business.

Along came George Pasha III, his son. He expanded that into what is now a very large transportation logistics company that does a lot of business up and down the state as well as through Hawaii and Guam. They have done the business here in San Francisco Bay for quite a long time. Their ships are repaired at BAE Ship Repair and they've been a big part of our history.

Mr. Pasha III told me once upon a time that he was doing so well running autos out of Fort Mason following WWII that the Port actually asked him if we could count his volumes in our cargo counts because we were struggling. He magnanimously agreed. It was a great source of pride to him that we needed to rely on him to get our cargo counts up.

Mr. Pasha was a very generous man. He was married 53 years, has five children and 15 grandchildren. He gave back amazingly to all kinds of different communities and enterprises and was a big friend of the Port. He was an Honorary Committee Member for our 150th anniversary.

One last little tidbit, Captain Taylor Lewis, who is the Founder of Tideline Marine Water Taxi, was the captain of Mr. Pasha's private boat for many years. Together, they sailed around the world and looked at successful water taxi enterprises elsewhere.

It's a big loss to our community. We still have the pleasure of doing business with the Pasha Group with Mr. Pasha's son, George Pasha IV. Our condolences go out to he and his family and the great legacy that they have built for all of us.

➤ Patrick J. Flanagan, Fisherman's Wharf Merchant Association, Past President

We also lost Patrick Flanagan, the President of Standard Fisheries here at the Port. He was a two-time President of the Fisherman's Wharf Merchants' Association. He was also a member of the Fisherman's Wharf Waterfront Advisory Group. He was a really strong advocate for rebuilding the fish processing center at Pier 45 following the Loma Prieta earthquake and a strong advocate for the build out of the Hyde Street Fishing Harbor.

He will be very much missed as well. His legacy to the Port is very clear in the success of our fishing and fish processing industry.

➤ Harry Kim, Fisherman's Wharf Merchant Association Member

We also lost Harry Kim, who was originally with the Golden Sea Fisheries at Pier 45. He was a longtime member of the Fisherman's Wharf Merchants' Association. He was a Board member of the Golden Gate Bridge and Highway District, has been a familiar face at the waterfront for as long as I can remember. He passed away on August 16, 2014. His legacy to the Port and his support of the Port has meant a lot to us.

➤ David Deasy, Port Senior Administrative Analyst

Unfortunately, we lost a staff person from the Port who was very near and dear to all of us. David Deasy passed away on September 8, 2014. David was a Senior Administrative Analyst with the Port. He served 20 years with the city and county of San Francisco. He started out as a parking citation hearing officer. You already know he's a very special person to be able to do that. Then he transferred over to

the San Francisco PUC as a Senior Administrative Analyst and he joined the Port in 2007 as a Senior Administrative Analyst.

David was best known for his ability to evaluate issues and recommend solutions. He was dogged. It was probably not easy being his doctor. He was dogged in needing to have every bit of information from as many sources as possible. Nothing was ever too tedious for him or too time consuming. He dug into it with gusto, got input from everywhere, and had just a very keen desire for efficiency and process among many things.

He has left the Port better than he found it. We are all indebted to him. We're just reeling from the loss of such an amazing person. He was a crazy enough person to be a swimmer with these two blue-shirted gentlemen over there in Aquatic Park, who are here to help us celebrate him.

We've lost some people this month who have really left their mark on the waterfront.

Commissioner Katz - I hope we'll adjourn our meeting in memory of these four stellar individuals.

Peter Ross, President of the South End Rowing Club for eight years - I'm here to pay my respects for the loss of David. As Monique said, he's someone whose life we need to celebrate. David would not want to have anyone mourn him. He was remarkably positive in his whole approach towards life, and we saw it over the past three or four months, as he was battling cancer.

I've known David for the past 20 years. He's absolutely beloved at the South End for his incomparable wit, for his irreverence, for his intellect. He had the same capacious desire to know everything about just about every topic. He was highly opinionated. Whenever you wanted a point of view, he was there to give it, whether you knew anything or not.

I'd go back to his positive approach towards life. He was never down for a minute, despite having this onslaught of cancer, which debilitate him to the point that he could not even speak.

We received something like 90 emails from some of our members who just heard about this last night when word got out. People were talking about him as soul mates and similar kind of vein. It's incredible how much he touched everyone.

He would not want to be mourned. He'd want to be celebrated. Having said that, we all share the losses, both individuals and his waterfront institutions.

Buck Delventhal, a member of the South End Rowing Club and also city employee in the City Attorney's Office - I was stunned yesterday to learn that Dave had passed away. I'd spent last Thursday evening with him. His spirits had been lifted by some pretty good reports from the doctors on the regression of his tumors. He even invited me for dinner. I can never turn down a dinner invitation. We were supposed to get together tomorrow for dinner.

Dave had an indomitable spirit, as Peter pointed out, a capacious mind, and extraordinary linguistic facility, a facility that was so extraordinary that he went to France after he graduated from college and without ever having studied French went to the library and started reading the newspapers and was the most fluent non-native French speaker I have ever known. He was even able to write in this arcane abstruse diplomatic French that some businesses need to communicate.

He also had a disarming irreverence and a life experience that combined the blue collar with the cordon bleu. His knowledge of the shores, shoals, and currents of the Bay, which he acquired as a very young boy when he started working with his father fishing at the San Francisco Bay and out the gate was unparalleled at the South End Rowing Club, where Dave and I met nearly 30 years ago.

I got to work with him when he would call me up with very abstruse questions about the vagaries of the traffic code when he was at DPT and then the Brown Act when he was over at the PUC and finally at the Port with the Port code, which is a baffling document for all of us.

His gritty refusal to give into the invasion that his body had sustained was awe inspiring to say the least. Dave always spoke his mind clearly and simply with a lucidity that paid no heed to canon or political vogue. He often clawed with relentless and informed rigor against the grain of convention, gently challenging me to think through many of my assumptions and ideas. For that gift, I am most thankful.

At the end of the day, what I valued most was his friendship. I think my colleagues at the South End Rowing Club would universally agree with that. His constancy and equanimity made being with him very comforting. I feel lucky that I was able to spend an evening with him last week. I feel blessed to have shared a friendship with him for so many years. As he would like me to say, adieu, mon compagnon et bon voyage.

Elaine Forbes - Dave Deasy was an exceptional employee. He was a terrific analyst for our side of the house from Pier 50. He knew the infrastructure and architecture of every single facility and asset and how it was recorded in every system in the city. He knew our entire fleet. He knew about the arcane issues in our code. He could speak with such deep knowledge about so many subjects.

I came to understand this over time, what a wealth of knowledge Dave had for this organization. He was always very friendly, witty and brilliant in our interactions. He also was a terrific right hand to Deputy Director Tom Carter, who can't be here right now because he is helping the family out for Dave.

He was a constant source of strength for Tom, a great partner to have there at Pier 50, who understood the numbers, the budget, the data, the rules. We will miss him so much. We expected to have more time with him. We're all very sad.

Tim Felton, Maintenance Department – I wanted to express our loss for Dave. We really loved him. As you may have heard, maintenance doesn't always get along with each other. But we all got along with Dave, huge amounts of respect for him, truly Tom Carter's right-hand man, keeps everything moving. He was a great organizer and implementer. We'll really miss him.

Matt Davis - I also knew Dave Deasy for more than 20 years from the South End Rowing Club. I'm a former city employee. I'd like to thank you for honoring him. He's someone who probably wouldn't want to be honored. But he had deep connections to the Bay and the Port. His father was a fisherman. He loved the Bay. We swam together with Buck and many others many mornings. This is really fitting, even though so soon after his death, for you to take time to honor him. Thank you.

Monique Moyer - I want to close the loop on David Deasy. I want to acknowledge Tom Carter, who's given up an immense amount of his personal vacation time to help care for Dave in his period of illness, as have probably many of the others you heard speak today. I know he would've loved to have been here today. He rushed to Dave's side yesterday afternoon. It's a tremendous loss, as you heard.

David was honored by both the DPT and the Port for a lot of above and beyond the call of duty action. He was very critical to the Port's response to a number of incidents, including the Dubai Star oil spill, as well as the BART shooting that occurred several years ago and many other events. He left a great legacy, and he will be very missed.

B. Commissioners' Report

Commissioner Katz –I'd like to report on last evening's event, where we honored Dr. Mimi Silbert and announced the forthcoming Mimi Silbert Pathway that will be installed at the Brannan Street Wharf. Many of you know of Mimi Silbert and her work. It was a tremendous outpouring for her. She's not somebody who normally likes to be honored but she was willing to come out. This was one of her first forays out in public after being rather ill. It was an exceptional evening.

Mimi is really visionary with respect to the waterfront when she located Delancey Street down there. There wasn't much. Now it's really become quite the site. There are a lot of people that want to come down and be part of the waterfront activities. But it was really Mimi Silbert and Delancey Street that set that tone.

Mimi really has also been visionary in terms of saving lives. It's fitting that she has a pathway named after her because she and Delancey Street create pathways for people to move from hopelessness to hope. It was a wonderful evening. I particularly want to thank my colleagues Kimberly Brandon and Mel Murphy for being there last evening and joining us and representing the Port and also want to thank Renee Martin, who unflappable as she always is managed to put together an amazing evening, and also Christine Pelosi, who helped organize the evening along with David Perry and Associates. He and Alfredo put together a video tribute. There still may be a few more pieces being added to that video, as it was put together rather rapidly, and a few slots didn't get included. There'll be an unveiling of the formal and the full video shortly.

Again, I want to thank everyone. It was a wonderful evening. I'm so glad so many people were able to be there on behalf of the Port.

10. MARITIME

A. Request approval of changes to Port Tariff No. 5, Section 8 – Fisherman's Wharf, conducting non-sport fishing trips, and Section 10 – Passenger Fees. (Resolution No. 14-51)

Peter Dailey, Deputy Director Maritime - The Federal Maritime Commission is the federal regulatory body that has oversight over our nation's ports. The FMC, as they're known, mandates that ports that handle cargo or provide public maritime facilities publish a schedule of rates and regulations through a public tariff, which we must file with the FMC.

The current Chairman of the FMC is Mario Cordero. I know Commissioner Adams and Monique both know him from his time as the Port Commissioner

of the Port of Long Beach. He was recently reappointed by President Obama, which is great.

The Port has Tariff Number 5, which establishes our rules and regulations and rates for our Port piers and berths under the jurisdiction of the Commission. Our tariff receives authority for enforcement through the city charter, applicable city ordinances, and the police code. The tariff is accessible electronically through the Port Website. So, if anyone is an insomniac, I would recommend giving it a good read.

Port staff today is coming to you to propose some changes to the tariff relating to two things, (1) rules and regulations regarding the berthing of sport fishing boats, and (2) the charges that we assess to passengers, cruise passengers.

We have approximately 15 sport fishing boats at Fisherman's Wharf. These are primarily family-owned businesses, some of which have been Port tenants for over 50 years and multiple generations such as the Lovely Martha, the Bass Tub, Chuckey's Pride, and my favorite the Wacky Jacky.

The sport fishing boat industry was having a tough time in the late 1990s and the industry worked with Port staff to facilitate their sport fishing and to allow them to give unlimited harbor tours. It's been a very successful collaboration, and this allowance has helped the industry remain strong.

Over the past year, Port staff has worked with the owners of the industry and other entities at Fisherman's Wharf to update these tariff provisions to reflect current operations. The tariff hadn't been changed since 1998 for sports fishing.

Joe Reilly, our Harbor Master, and Dimitri Amaro, our Wharfinger, who's in charge of the wharf, worked with the Fisherman's Wharf Advisory Group, and sport owners, sport boat owners, to come up with a list of changes to the tariff that are detailed in the staff report. Essentially, they reduced the number of required sport fishing boats for fiscal year from 50 to 40. They removed language requiring boat owners and/or a family member to be onboard during voyages, and some changes to other policies.

The second change is the passenger fee for our cruise passengers. We talked about when the Port Commission approved the management agreement for the operation of Pier 27. Our current passenger fee is \$12 per passenger. We are increasing it to \$18 per passenger as of January 1, 2015.

This fee is passed through the cruise lines and paid directly by the cruise passengers. This fee increase has been vetted with our cruise partners and has been accepted. It will help us pay off our investment in our brand new cruise terminal. It's an important financial component going forward.

These updates to our tariff ensure clarity and financial sustainability for two of our most important maritime industries. Tariff Number 5 pertaining to sport fishing hasn't been updated since 1998. The passenger fees have not been raised since 2009. I request your approval to update and amend the Port Tariff Number 5 as detailed in the report. Thank you for your consideration.

Commissioner Murphy – You raised the fee from \$12 to 18, why not \$20 or \$25?

Peter Dailey - A good question. We did a sensitivity analysis based upon competitive ports up and down the West Coast and around the United States. Raising the fee from \$12 to \$18 is a pretty significant jump to the lines. At one point in time, if you raise it too high, you will have an impact on the number of cruise calls as the State of Alaska has found out. They raised it to \$50 per passenger from about \$8 about 10 years ago and their passenger business went down 75 percent.

We came up with a fair number that helps us pay off our notes. We don't think we're gouging anybody, but we're still competitive with our West Coast ports. There are cheaper ports out there that we compete with. We wanted to be careful not to out price ourselves.

Commissioner Murphy - What about places like Barcelona?

Peter Dailey - I don't have those numbers in front of me, but we did look at a worldwide survey of cruise passenger fees. Frankly, our main competition is our U.S. ports and West Coast ports. We're about the same, even with raising our fees, as Vancouver and Seattle. We are significantly more expensive than L.A. and San Diego. We have come up with a fair number. I'd like to charge more, and there's opportunity to charge more going forward. But right now, this number helps us finance the facility and does not harm our commercial position.

Frank Rescino, Lovely Martha Sportfishing - My family has been Port tenants since 1908. I'm here representing sport fishing boats in berths 1 through 8 at the Fisherman's Wharf Harbor. We want to thank Peter Dailey and the wharfingers for all their work. We're a very excitable group. We're not easy to work with. We have lots of questions. We don't trust anybody. Port staff has done a wonderful job. We thank Peter Dailey, the wharfingers and Monique.

We are in support of the sport fishing tariff changes. If it wasn't for what the Port has done for us, I would not be here right now because, in the 1990s, we were hurting really bad. We were going out of business. Fishing was bad. Things were bad. Without those Bay tours that we do and the things that we do, we would not be here right now. You wouldn't have a healthy fishing business in Fisherman's Wharf. There'd be nobody left. I guarantee it. There's not that many right now. There used to be 49 boats at one time that used to do sport fishing; there are only 15 left. That number has picked up

from in the last few years because of the extra activities that we do. I do represent berths 1 through 8. I can't speak for the other boats. We are in support of the tariffs.

Commissioner Adams - I support this. Mel, you were asking about the cruise ships and raising the tariffs and Peter's right on. Seven years ago, Vancouver, Canada, had all the cruise business. They had about 2 million passengers a year. Then Seattle got into it. Now, Seattle's hitting over 1 million passengers a year. You take Juneau, Alaska, a town of 30,000, about 1.8 billion passengers.

What we're trying to do here in San Francisco, we just invested \$100 million into a world-class cruise terminal that's going to be opening up on September 25, 2014. We're probably going to hit around 300,000 passengers. Our goal, what I'd like to see in the next five years, and I've always said this, is to hit over 1 million passengers. San Francisco tourism is what we do.

Raising this tariff with passengers is right online. We'll have more people coming. With this state-of-the-art cruise terminal that we're going to have, everything will really work out well for us.

I come from maritime. I appreciate what the fishing boats do. It is a history there going back to the roots of San Francisco, being a maritime town, a waterfront town, from fishing to on the docks. This has always been the lifeblood. This waterfront in San Francisco is so historic and we have to keep that intact.

We've heard about Mr. Pasha and his family and what they started. This is in line on where we really need to go in maritime. I support it.

ACTION: Commissioner Brandon moved approval; Commissioner Adams seconded the motion. All of the Commissioners were in favor; Resolution No. 14-51 was adopted.

11. FINANCE & ADMINISTRATION

Amy Quesada – Commissioners, Item 11A will be taken off the calendar and will be heard at the next meeting.

- A. Informational presentation on the Port's Year-End Report on Contracting Activity for the Fiscal Year 2013-14 (July 1, 2013 through June 30, 2014).

12. PLANNING AND DEVELOPMENT

SPECIAL ORDER - ITEM 12B WIL BE HEARD AT A TIME CERTAIN OF 4:00 P.M.

A. Informational presentation by the San Francisco Planning Department Director regarding interagency coordination with the Port of San Francisco for waterfront planning and urban design.

John Rahaim - Thank you for welcoming me back to have an annual report with you. I really do appreciate the dialogue and your interest in the work that we're doing in the planning front along the waterfronts and with your staff on the Port Commission. I continue to believe that the working relationship we have with your staff is probably the best we have in city government right now. So, I really do appreciate your interest.

I thought I would start today by reminding us where we went last year when I came to you and talked about waterfront planning and talk about what we think the next steps are in terms of planning for the waterfront and looking at future development opportunities for the waterfront.

I think it's always best to start with the big picture in terms of regional growth. I like to start many of my presentations with these numbers. But just to give you an indication of what's happening in the region, there's a huge regional and national trend right now toward moving back toward cities and moving to places that are closer to transit and to urban amenities.

These numbers show how the region is expected to grow over the next 25 years. In essence, the region is expected to grow by 700,000 households, which translates to about 1.5 million people and about 1.1 million jobs over the next 25 years.

Of that amount, San Francisco is expected to take about 12 percent of that growth. So, while the numbers for us seem large, it actually is only about 12 to 15 percent of the regional growth. So, for us, that means about 97 households or over 200,000 people. And it means about 200,000 jobs. That requires a lot of space, both in terms of office and other job-producing space, and it requires a lot of new housing units.

Our job, of course, is to figure out where that growth is best going to happen, where it should best happen, and how it should happen in a most sustainable way, in a way that the city can support over time.

As I said, even though it seems like a large number, it will be over 1 million people in 2040, it's only about 12, maybe 15 percent of the regional growth that's occurring in the Bay Area.

Last time, we talked a lot about the Waterfront Land Use Plan, how that plan established a baseline for how the city was to develop and grow its waterfront and how it was to evolve the waterfront over time that that plan laid out a number of objectives. It was adopted in 1997. It preserves maritime priority in key areas, like Islais Creek. It established a comprehensive open space plan. It established sites for mixed-use development. Importantly, it was aligned

with many other plans that the city had underway and both before and since and it continued to evolve in that respect.

The other thing that has happened in this interim and most recently is that your staff presented you an update of the Waterfront Land Use Plan just last month to give you an indication of where we are with respect to implementing this plan over time. I know there's been a lot of discussion about his plan in recent months. I'm happy to have more discussion with you in my presentation.

So, looking more specifically at where and how the city is to grow, what we have done over the last several years is concentrate our efforts and those areas of the city where growth is likely to happen and implemented -- put in place very specific neighborhood plans for areas like the eastern neighborhood south of Market, Trans-Bay, and so on.

What you see here are those plan areas like eastern neighborhoods and the redevelopment areas, namely Mission Bay, Trans-Bay, and the shipyard, and the Hope SF projects, the Public Housing Authority projects. Collectively, those areas represent about 80,000 housing units and 150,000 jobs. As you can see, that does not allow us to achieve the regional numbers that I talked about earlier. So, we still have work to do.

On the waterfront, we have several areas that we are working with your staff to look at potential development and open space in those areas. There are primarily seven large areas. Now, the southernmost are the shipyard, the Hunter's Point Shipyard, and Candlestick Point. But from the north, you have Seawall Lot 337 and Pier 48, the Mission Bay Waterfront, which is where the Warriors Arena is now proposed. We have Pier 70. Immediately south of Pier 70, there's the NRG site. The India Basin site identified as number five on this map, and then the Hunter's Point and Candlestick.

It's interesting to note that, of these seven major areas, three are controlled by the Port, and four are not. Three of them are redevelopment areas and two others are private sites. It's only the Port sites that are subject of the recent proposition regarding height limits. The other sites are not subject to that proposition.

This shows the job growth in those same areas. We believe that these areas alone can accommodate about 60,000 jobs or about 30 percent of the jobs citywide. In terms of households, we think these areas can accommodate about 22,000 households or about 22 percent of the citywide growth over the next 25 years.

Of course, the potential for new open space is dramatic and important. This 674 acre represents about two-thirds of the size of Golden Gate Park. So, it's a very important amenity, a very important potential that we have to create dramatic new open space on the waterfront.

We have to consider transportation as we go. We are working with your staff, with MTA, and with the Transportation Authority on looking at transportation connections to the shoreline.

It's very important for us all to remember that we will not be able to accommodate growth in this city in anywhere near the numbers we're talking about if we continue to rely on the automobile as our primary source of transportation. It just simply won't happen.

It's critical for us to think about these transit connections as a way of serving the growth in the city, let alone the existing population, but also, of course, the growth in the future.

We're already looking at enhancing many of our waterfront lines, obviously walking and biking. The MTA has very ambitious goals for bicycling, which is starting to represent a significant portion of transportation commuting in the city, water transportation and rail with the E line, and so on.

Finally, in terms of open space, there's the importance of the Blue Greenway. Looking at the southern waterfront in particular, where the development opportunities lie, we have a great opportunity to complete finally the Blue Greenway to the southern end of the city.

These sites represent an opportunity not only to make a significant dent in the city's increased growth in the coming years, but for open space for greenways, for connection to the waterfront, and for enhanced transportation. Now we do have a number of challenges to get there. It's important that we talk about those in the context of the coming work that we have in front of us.

We all know that sea level rise is an enormous challenge. You all know this better than I. Your staff knows this probably better than anyone in the city that we already have issues that are arising with sea level rise so to speak.

There are locations where we have winter high tides that are already lapping the seawall. We have to take this seriously. We are finally getting into it, not only from an overall planning standpoint, but from a technical standpoint in terms of the impacts on the city's overall infrastructure system, not just the Port, but Muni and DPW and so on. It's an incredibly important issue.

These maps start to show you the impact. I'm sure you've seen these many times. This map shows the impact of three feet of sea level rise on the city. You can see key areas like Mission Creek and parts of the Embarcadero that are affected with three feet of sea level rise.

This hones in more specifically on the southern waterfront, namely Candlestick Point and the shipyard. In the middle there, you see Yosemite Slough where the rising waters go well inland of the slough itself at three feet.

Three feet is the number that the city is working with in terms of the potential for sea level rise by the end of the century. That is obviously an important consideration for us. You'll see numbers that vary widely but three feet seems to be the number that most experts agree on is a relatively certain number for the end of this century.

In places that are very large development sites, like the shipyard and Hunter's Point, and shipyard and Candlestick Point, they have the ability to build in the mitigation within those projects by raising the level of the land, by putting parks on the edge of the water, which is part of the plan for that site. You see on this map that what that does not address is Yosemite Slough and the inland conditions at Yosemite Slough. It's just an indication of some of the areas that we have to deal with in the coming months and the coming years dealing with sea level rise.

There's your seawall, the city seawall that you've heard many reports about and the seismic vulnerability of that wall.

Commissioner Katz - Is that what's meant by a wall on the waterfront?

John Rahaim - I don't believe so. It is a different wall, less visible, but perhaps more important. It is in a seismic hazard zone, as designated by the state. You all know that it's critical. It is important, obviously, for the economic and health of downtown and many of the surrounding neighborhoods. It is subject to liquefaction.

It's also important for us to remember that the shoreline is largely manmade. A very large section of the shoreline is manmade. And that has historically changed year after year. The shoreline is not fixed. There's nothing sacred, in a sense, about that edge of that water. It has changed many times over the years.

It's important for us to think about that when we look at the edge of the shoreline, sea level rise, and the seawall as we look at not only at repairing the seawall and perhaps building a new one, but also how we look at disaster recovery resilience, and all those issues that come in front of us in the coming years.

So, what do we do now? The short answer is we don't yet know. I'm here to ask for your input and tell you that we're working with your staff on a number of approaches of how we look at the waterfront, especially the southern waterfront in light of recent events and in light of many concerns that have been raised in the last year or so.

It's important as a planning agency and for me personally that we keep looking at the big picture here and how the work that we do with you on the waterfront fits into the city and the region as a whole.

I might just digress for one moment and talk about what New York City's doing in a post-Sandy world. New York took this very interesting step of saying, not only should we look at the potential of how we create a more resilient city after Hurricane Sandy, but how can we actually use that opportunity to create an even better city?

New York issued a competition to firms, architecture, engineering, planning firms, to look at different areas of the New York waterfront all around the New York region. It was sponsored by the Department of Housing and Urban Development, to generate interesting ideas of how the edge of the New York City waterfront should be dealt with over time.

As I said, rather than being kind of defensive and saying, "Well, we have to armor our waterfront," they said, "How can we really make this an opportunity to create an even better waterfront?" It might be an interesting model for what we can do.

They looked at a different section of the New York and New Jersey waterfronts. This happens to be Lower Manhattan, different ways of treating sea level rise with public access with, in some cases, creating more land and, some places, cutting back the shoreline, depending on topography, and taking advantage of what the rising waters can do for the city and what we can do to address that condition.

In very general and broad terms, we're doing several things with you, your staff, with other city departments in the coming months. One, we have to start planning much more seriously for sea level rise in a very serious way. There are areas of the city, like Yosemite Slough, like Mission Creek, that are very vulnerable, that affect large swaths of the city that are both undeveloped, like Seawall Lot 337, and there are areas that are already developed, like parts of south of Market, where we are planning for another round of growth as well.

Secondly, we have to work with you on the issue of the seawall itself. What should that be like? How can we take the ideas generated in New York City and actually use it as an opportunity to think differently about the waterfront, because we're going to have to address it one way or another? So, the question is, let's take advantage of it to the best opportunity.

We have to continue to work with the Office of Community and Investment in Infrastructure, the former Redevelopment Agency, on implementing their portion of the waterfront, particularly on Mission Bay and the shipyard and how that waterfront develops over time. It's important that it be contiguous. We have this tendency in San Francisco to think of the redevelopment areas as being somewhat independent of the rest of the city. Our job is to integrate those areas into the city as a whole.

Fourthly, we have to look at proposed developments and make sure that those developments meet the goals that we've all set out on the waterfront plan.

Fifthly, we have to do our job on our environmental reviews.

Finally, and these are in no particular order, we have to address this issue of urban design fit. What does that mean? It does not mean reopening the entire Waterfront Land Use Plan, in my opinion. But it does mean looking at key components of it and looking at where it can be and should be enhanced in the coming years to address some of the issues that have been raised, the challenges that have been put in front of us, not only in terms of the voters that have presented a challenge, but with issues like sea level rise and the seawall.

All those issues have serious land use and planning implications that we have to deal with in the coming months. I don't have a specific work program to lay out in front of you today to say, "This is exactly where we're headed." I am here to get your thoughts on that and to tell you that, in the coming few months, we will work with your staff to develop more specific work program to actually bring in front of you a specific idea of where we intend to go in the coming months in terms of planning for the waterfront.

Commissioner Katz – In terms of efforts to do region-wide planning, I know we've talked about San Francisco and our waterfront, but it seems that, given our regional economy and the number of areas that are contiguous to San Francisco, have we looked at anything in terms of being part of a broader coalition, also in terms of getting funding for all of these efforts, whether that would make a difference?

John Rahaim – We've worked on a regional basis, specifically around the issues of growth and where growth should happen. That early map I showed outlined the priority development areas that the region has identified. But with respect to the waterfront, there's the Bay Trail proposal. The Blue Greenway is certainly part of that trail and we're working on that.

I think we have to do better with respect to regional waterfront planning, to be honest. That has to be another step that we take.

I am more and more convinced that the way to resolve many of these issues or at least the way that many of these issues need to be addressed is on a regional basis, whether it's the regional growth, whether it's sea level rise, or many of these issues have to be dealt with on a regional basis.

Commissioner Katz - In legal parlance, that was what we call a leading question. I agree.

Commissioner Murphy - Where are we going to find the money, John?

John Rahaim - That's one of the challenges we have, Commissioner. I appreciate that comment. It has to be said that one of the goals of some of these development sites on the waterfront has to look at how much they can

generate to help us solve some of these problems. But I also think it has to be said that that alone is not going to solve problems like the seawall and many of these larger issues that are way beyond the capacity of any development project to do.

We have to look very carefully at this issue in a broader sense. I don't have an answer for you, Commissioner. I'm sorry. The numbers are big.

Commissioner Murphy - Well, surely, there's going to be state and federal money available to do this?

John Rahaim - That's why we're having that conversation right now.

Commissioner Brandon - We're lucky in that we have so many large development projects going on now so they can be incorporated in the planning for the future because this is going to be such a huge issue.

John Rahaim - I agree.

Commissioner Brandon - Thank you so much for that presentation.

Commissioner Adams - John, thanks for coming back out again. I'd like to see you come maybe every six months because we need to have these discussions. I think that, as a Commission now, we've got a lot of tough issues facing us. I couldn't be working with better group of commissioners.

But I think, even with Prop B, sea level rise, these are some issues that we have to take on. We've got to show some true leadership on which way we're going to take our waterfront in this city. As you said, even with transportation and things like that, and that requires coalitions thinking out of the box because a lot of times people say, Seattle, New York, but San Francisco's got its own flair. We've got our own swagger. There's no other city like San Francisco.

We have to find our greatness. I think we're there. We're going down that path. People are moving here. If you just look around, I walk every day back and forth to work. I see all these new buildings in the city. People are coming here. We're laying out the future. We have to deal with it head on. We've got to determine what kind of future we want for this city.

The average age in this city's 27 years old. If you can't look around and see what's happening, the whole city is transforming right before our eyes. I know a lot of people like things as they were. Most people, they buy into the fear factor. People don't like change. But you can't avoid change. Change is going to happen.

You like to stay 10 years old all your life, but if you live long enough, you're going to get old, and you're going to die and things happen. That's just the cycle of life, right?

Those pioneers, those people that had the vision, they just took it on. The stuff that you're laying out, the way we've got to think, I think we've got to have the courage, got to have the political courage. We've got to make some decisions.

In my union, we have a saying is, "Nobody likes us, and we don't care." But in essence, at the end of the day, this city, it's about the men and women and the people that live in this city and preparing it for the next generation and where we're wanting to go. We've got to think reasonably. Everything is not a good fit. I know, with Proposition B, a lot of people got upset and things like that. So be it, whatever. But we've got to continue on.

Sometime, you get sidestepped in life, you just got to go around it and keep on moving, because you're talking about a city. You just said something I liked earlier that we're going to have all these people moving to San Francisco. We're in the bid to get the Olympics. We can't be looking backwards. We've got to be looking forward.

When you're thinking like that and when you're thinking of your scale of thinking, and Donald Trump said it best, "Since you got to use your brain to think, you might as well think big." If you're going to be on that level to think, and San Francisco's a world-class city. We've elevated ourselves to that status. So, we're going to have to think of solutions to get us to where we need to go in these kinds of planning.

You're right. It's a regional deal. We're going to need that kind of heavy lifting. Commissioner Murphy's right about money. But it's going to take a lot of good ideas, strategy, money, but also a plan, a five-year plan, a 10-year plan for wherever we want to go.

I thank you for coming.

John Rahaim - Thank you, Commissioner. I really appreciate those comments. If I might, just a couple of thoughts. One, we are growing roughly at the rate of 10,000 people a year right now. It's pretty substantial growth rate for a city of our size and age. My number might be off by 1,000 or two, but roughly we're at about a 10,000-a-year growth rate. Part of the reason for that growth is a national paradigm shift about people's living preferences. Both the millennial generation and the baby boom generation are moving back to cities in a very big way. The millennials aren't even buying cars. It actually is a very interesting trend. The growth's going to happen if we plan for it or not.

John Rahaim - It behooves us to plan for it correctly, given the kind of growth that we're talking about. It affects everything that we do, from the cost of housing to transportation to how we address our waterfront. That growth is a really important fact to keep in mind in terms of the inevitability and the trends that are happening nationally.

Commissioner Woo Ho - I want to thank Commissioner Adams, number one, for giving us the big picture and his fervent discussion about the future of San Francisco, which I think I agree with. I want to thank you for coming today to give us a bigger picture of the development. It is important for us to sort of be aligned.

There's a couple things that I took away from your presentation in terms of the longer term growth and the fact that you do emphasize out of the seven major developments, only three are on the waterfront. Sometimes, we forget, even though there's a sense in San Francisco that every piece or every mile on the waterfront is under development, which is not true.

I think it's good to put that in perspective. I'm not sure that was really the perspective that was given the voters of San Francisco when they looked at some of the initiatives prior to today but we're going to move forward. We know that probably the two major initiatives probably will go in front of the voters to get approval to be beyond the height limits.

I have a couple questions, number one, how can we, as Commissioner Murphy mentioned about the funding, what are the specific steps that the city is taking in terms of trying to make sure that we can get an allocation of federal funds and state funds? I think the reason that Commissioner Adams mentioned that you come back is, the more we keep talking about it is to make sure that this topic is in front of the appropriate people because time will pass by, and it is a huge number.

The second thing is I wanted to understand, as you see it from the waterfront and the housing needs that we perceive, and we do have some major developments, the type of housing that you see going forward and what you think would be appropriate on the waterfront relative to the other overall picture that you have for the city because we all know that housing obviously is a huge issue. And related to that, not just how much, but the density factor of being able to accommodate as you see the forecast going forward in terms of the need for housing and the population growth that we understand as the trend.

John Rahaim - If I may, that second question, it's one of those things that is a very important fact for us to consider, which is how dense should it be, the range of income that it should be built for, the type of connections that it should have, and the transit connections and so on. It does seem as though the housing on the waterfront, just given the nature of the facilities on the waterfront and the need for such a substantial infrastructure that it's going to

have to achieve a certain density in order to pay for the cost of developing that land, the horizontal development of those properties.

This is true whether it's on the waterfront or not. The same was true with the shipyard or Mission Bay. Those developments had to achieve a certain density in order to pay for the infrastructure cost to support those projects. It works both ways.

It's also very critical, in my opinion, that it serve a variety of incomes. We are looking collectively right now at an initiative looking at all city-owned sites, looking at how those sites can collectively meet a number of the city's objectives if they are to be developed or co-developed with city agencies.

Of course, affordable housing is a key component of that as well as open space as well as other factors. The Port sites have to be an integral part of that in looking at how those sites can serve other city needs as well, including affordable housing.

These things are a tradeoff, right? The more affordable housing we have on the site, the less income there is from a development stream to actually support the infrastructure on the site and that goes to the Port. That's the tradeoffs we have to make as we go forward with these.

I think there's another related issue, which is part of the concerns that we're hearing from the community is the intensity of development of the waterfront. It's important to think large picture, if you look at the entire perimeter of the city's waterfront, the vast majority of it is passive waterfront that's undeveloped, from the Presidio to Ocean Beach to Marina Green.

It's important that the city have a variety of experiences on our waterfront and areas like the ferry building that are intensely developed that attract a lot of people, and areas that are more passive and have parks and other activities on them.

It's really important to think of in terms of land uses in a variety of ways and looking at the city holistically, looking at the city's waterfront holistically in that respect. Some areas would have higher density housing. Some areas will have parks. Some areas will have job-producing space and so on. It's important that we have that in mind as we look for it in the waterfront.

Commissioner Woo Ho - The other comment that you mentioned, the 643 acres of open space, and that's also sometimes not emphasized enough in terms of the fact that we have a very balanced waterfront. Some of it is still to come for the Blue Greenway. If you visit a lot of other waterfront cities, both in this country as well as overseas, the amount of public access to the waterfront is substantial.

It's something that we should not forget that we are here to obviously provide that public access. But it is greater than a lot of cities that you can visit where the developments are right up next to each other, which is not the case here. I think we have to remind all of our constituents, all of our stakeholders in the city that that is the case.

The other point, which we are very mindful at least at the Port Commission in addition to the fact that we have this major strategic challenge with the sea level rise is the fact that we obviously have major capital infrastructure needs just to maintain the Port as is with no new development.

Our challenge is to figure out how to keep the waterfront as is, regardless of if there's any new development, plus figure out how to finance the new developments with different partners and to keep the substructure because, unfortunately, as you know, the maintenance cost of our piers is a tremendous amount.

Those are the challenges we have in addition to what you mentioned. That's important for us all to keep a very balanced picture. Our job is obviously to maintain our responsibility as much as possible to all the stakeholders that we do have in the city.

Commissioner Adams - I wanted to say you were mentioning about the housing. Sometimes, I watch the government channel, the TV channel. You see a lot of people down at City Hall talking to the Board of Supervisors. It's sad that there are people that have lived in this city for generations who no longer can afford to live here. There's got to be a balance for people that have lived here. Everybody doesn't make a big income.

When I was talking about making tough decisions, and Commissioner Woo Ho mentioned that about money. Sometime, you might have to do a bond measure. Sometimes, people don't ever want to do anything because it costs money. I don't care what you do. You've got to pay for it.

Sometimes, you got to make those tough decisions. It's not going to happen for free because we're not going to be able to get enough federal funding. These piers, you're talking about costs maybe a couple billion dollars. These piers are falling into the Bay. If we don't take care of them, we're going to lose that, where we could have some development on the waterfront. I think that there's a lot of people in the community that don't trust the Port. They don't come down here a lot. They read things. It's like that scare factor. We want the community to come down here to the Port. We need to have a better engagement. We can do a better job of educating the community because a lot of people doesn't even know there's a Port here. They see a waterfront. They don't know that it's a Port.

One of the things that we're going to do, our next Port Commission meeting, we're going out into the community. We're going to go out. We're going to talk

to the citizens of the community. We got to have better dialogue with all the stakeholders, but also the community and let the community know this Port belongs to you. You have to invest in this. You don't have to have money to come down here. This all belongs to you but they got to take ownership in it, too, because it belongs to every citizen in San Francisco. We have to do a better job of connecting.

As far as the housing component that you were talking about, I'd like to see that we can find something for every income in this city and because now, it's going to look like, if you're not rich, you can't live in San Francisco. It shouldn't be that. You should just have to be a citizen of San Francisco and be able to live here and enjoy this waterfront and enjoy this city, like every other city, because we don't want to be looked at as being elitist.

I'm a union guy. I'm just a regular working-class guy. When you go somewhere and you see people that are elitist, they think that they're better. This city belongs to every citizen. We need to find a balance. You're going to have more people with than those that don't have. We need to help them so there can be more of a balance.

Commissioner Murphy – I just wanted to echo Commissioner Adams' comments.

Commissioner Adams mentioned the average age in San Francisco, 27-year olds. We have the smartest young people in the world coming here and living here. They're all going to want to find a place to live and land a job.

I've worked through the CAPS program. Ten years ago, people said that that wasn't possible. We would never get that through. We did. The Soft Story, we got that through. The 15th is the deadline where you have to have your application in to seismic your soft story building throughout San Francisco. Then they give you another two years to get the plans in. They give you a further two years to complete the work. That all was all made possible by a group of smart people -- Willie also said stakeholders -- sitting down and thrashing it all out. The same is going to have to happen here with this rising water and building a new seawall. We can take a leaf out of different cities, what they have done.

I was in Havana in last year. They have incredible seawall there that's about 8, 12 feet above the sea level. It looked very pretty. It looked like it was built right in there, and it just looked like it grew there. I've got great hope that we can do this. My hat's off to the Port for taking a lead on it and you guys picking up on it.

Commissioner Katz - I also want to thank you for coming here today. I appreciate your appearing and particularly appreciate your commenting on working with our staff. It is significant that we don't try and figure some of these problems out in siloes but make sure that we are all working together because it is so interrelated.

A few things that you said sort of struck me, and my colleagues have touched on some of the bigger issues, obviously. I was concerned about funding, and we're obviously going to have to be much more creative about how we go after potential funds for some of these efforts, particularly with respect to sea level rise and addressing those challenges.

But one of the things that you mentioned that I appreciate is taking this as an opportunity and figuring out how to use the resiliency efforts to be that much better. Commissioner Adams touched on it. We are at a turning point. It's really time that we do try to look at where we're headed and make sure we make wise decisions as stewards of property.

One of the things you touched on is, coming up we need to do it the right way. I appreciate periodic updates on separate pieces. It is very useful for all of us to be thinking about it and getting ahead of the curve instead of waiting.

We and Sue Hestor who is sitting in the audience have raised the issue of sea level rise quite some time ago. At the Port, we've had a policy of having all of our projects address how sea level rise is going to impact anything that comes along. But I'm still, frankly, frightened by how few people pay attention to the impact the sea level rise is going to have.

One of the things we need to take a look at is, as you said, your urban design fit. As we move forward, too, being creative as to how we address these problems. We all talk about what we've seen in other areas. I know the Netherlands has addressed this problem quite significantly. I know we can learn from them.

I was recently, as I've mentioned, in Lyon. And I loved how they utilized the river rise there. It's a little different. But you enliven the whole waterfront, taking into account sea level rise. The river rise each year actually covers some of the parks they have. In the summertime, they're very active and vibrant. They have certain areas that they use in the summer when the water goes down. Others become off limits. There are some very creative solutions we can look at there.

Significantly, and I touched on this,, diversity in terms of economics, but also the reason people come to San Francisco is for our diversity. People want to live here. I'm very concerned that we are losing that and hope that we can come up with some creative ways and not look at the traditional approaches but see if there's other ways that we can ensure that we have that economic diversity as well as other diversity as we do our planning, or we're going to lose what makes San Francisco so unique.

Everyone touched on the other issues here but you also sort of addressed the next steps. B I would certainly appreciate our working on figuring out what those are- and we don't have to be firm about all of them but figuring out how

we can work together addressing those next steps and coming up with a clear path on what those next steps are so that all the different departments can start incorporating that into our efforts together.

John Rahaim - I'll go out on a limb a little bit, and I will offer to take Commissioner Adams up on his offer of coming back in about six months because at that point, we have a much firmer understanding of what we think those more specific next steps should be in terms of the work that your staff and mine will be doing. I think that is good timing actually.

Commissioner Katz – Great, thank you. On the Blue Greenway as well, I know we've started a lot of work on that. It may be before we complete everything that we should take a look at even further what the sea level rise impact will be on that. You highlighted something important the way that New York has used that. We may want to take a few pages out of their book on those fits.

Commissioner Woo Ho - Your presentation is helpful in the sense that we're obviously in the midst of updating the Waterfront Land Use Plan. Some of the things that you mentioned that perhaps we can incorporate in terms of the context of the entire city in addition to the more futuristic look that we want to have in the Waterfront Land Use Plan and some of your information and statistics. I would like to recommend to the staff that they incorporate that in terms of the introduction of the land use plan because it has to be in the context of the entire city that we look at what's happening with the waterfront and not just in terms of the waterfront by itself and just to take a broader context. That would help the rest of all the constituents and everybody that wants to understand what's happening how we're looking at this in face of what the bigger needs of the city are because we are no longer isolated by ourselves.

John Rahaim - Thank you. I Appreciate that.

Commissioner Katz - Thank you very much for coming and appreciate all your insights.

John Rahaim - Absolutely.

B. Joint Presentation by John Englander and Will Travis on Sea Level Rise.

Monique Moyer - First of all, I wanted to thank everyone for coming today and those of you that I know are going to be watching the tape of this at a later date for your interest in this very important topic.

I've had the pleasure of seeing both of our two guests speak. This will now be my fourth time as well as reading the book. I find it very fascinating. A number of us, including President Katz, attended a Bay Planning Coalition conference

that centered around a number of issues related to the conservation of the Bay. Commissioner Katz had the idea of having Mr. Englander and Mr. Travis here to present for the benefit of all of us.

I'd just like to take a minute and ask all of the city staff working on climate adaptation, specifically sea level rise, to please stand. I'd like you to just yell out what department you're with.

Fuad Sweiss - City Engineer, the Department of Public Works

Lauren Eisele – Port Planning and Development

Uday Prasad – Port Structural Engineer

David Behar - PUC

Steven Reel - Port Engineer

Frank Filice - San Francisco Public Works.

Aldhafari, Bassam – San Francisco Public Works

Nadia Sesay – Public Finance

Julia Laue – Department of Public Works

Diana Sokolove - PUC

Tommy Moala - PUC

Anna Roche - PUC

Mike Martin – Office of Economic and Workforce Development

Diane Oshima – Port Planning and Development

Tim Leung – Port Engineering

David Beaupre – Port Planning and Development

Monique Moyer - Thank you, all, very much for being here and all the work that you are already doing. I know that we've been working on this for a very long time, despite the fact that our work is just going public.

David Behar has taken the lead for a number of us. I don't think I heard a representative from the airport.

Commissioner Katz - For the public that may not have heard, we had a number of people stand up, several from various departments. But we have representatives here from the SF PUC, Public Works, a number from the Port, from the Treasure Island Development Authority, several from Planning, and as I mentioned, the SF PUC. Since people may not have heard all the diversity of the departments represented.

Monique Moyer – There's a number of other staff departments that are working on this issue, including the City Administrator, their Lifelines Council. Steven Reel from the Port leads some of our efforts related to the seawall at the Lifelines Council.

As I mentioned, there's the San Francisco Airport, the San Francisco MTA, too many to mention. I know that, for a lot of the public, this feels like something that's very new but it is not that new for the Port and our colleagues. I want to express my gratitude to all of you for your great work.

I would like to introduce my pal Will Travis, who many of you know, but I always am reminded what an interesting fellow he is. So, I'm going to share with you a few little tidbits from his resume.

First of all, he has a Bachelor's of Architecture, which would explain his nitty-gritty detailed remarks that he indulges in at the Port, a Bachelor of Architecture and a Master's of Regional Planning, both from Penn State University. He studied architecture in London at a very pivotal period of time for modern day music I might point out.

He then joined BCDC in 1970 as an assistant planner and urban designer. BCDC at the time was the nation's first state coastal management agency. He ran off for a year to work on the Master Plan for the East Bay Regional Park District, hence his belovedness of the Blue Greenway and other such great ideas.

Then he went and joined the newly established California Coastal Commission, where he had the privilege of issuing permits for offshore drilling -- I would've loved to have seen that -- and public access, so a recurring theme there.

In 1985, he joined BCDC again as Deputy Director, which he served for about a decade, before becoming the Executive Director, where he served for about a decade and a half. In 2012, he became the Senior Advisor to something known as the Bay Area Joint Policy Committee, where he had the pleasure of coordinating four regional agencies to encourage them to look at climate change in terms of future stability and economic prosperity. Ultimately, that committee adopted a regional sea level rise adoption strategy.

Please join me in welcoming Will Travis.

Will Travis - Thank you, Monique. President Katz, members of the Commission, esteemed staff, it is indeed an honor and a privilege to be here.

As Executive Director of BCDC, I spent the bulk of my time trying to be Monique's favorite regulator and we were able to achieve that. John talked about the solid working relationship that the Planning and Port staff have. I thought we had a better one between BCDC and the Port staff.

I'm now convinced that the Port staff is so easy to get along with that anybody can do it, so it's no big deal. The other thing I spent a lot of time on at BCDC was sea level rise and particularly raising regional awareness of the problem and that's where I met John Englander.

I was at a conference on climate change in Florida a couple of years ago and John was in the audience and he asked a question. It was clear to me from

his question; he had a better grasp of sea level rise than all the panelists he was asking the question of.

My next encounter with John was when this book came out "High Tide on Main Street" which is by far the best book ever written about sea level rise. John does an excellent job of taking science and presenting it in a way that even I can understand it. But, he did something else in the book. He talked about the implications of a super storm coming ashore Atlantic City and hitting New York City. Now there's been a lot of assessment of hurricane Sandy. The thing that he did was publish the book a week before the storm. So, I think he caused it.

Commissioner Katz - Anything to sell a book.

Will Travis - Yes, anything to sell a book. Glad he didn't work on the Bible. He is a great writer. But he is also, and even more important, a better speaker than he is a writer. I recruited him to come to the Bay Area to work with me as I was trying to explain sea level rise because I found that there was a considerable reservation of people who were hearing from a bureaucrat who might be using sea level rise to administer regulations. John as a scientist could explain it in an objective and unbiased fashion.

As a result of that, he and I have developed a close working relationship. He's probably here in the Bay Area more than anywhere else except his home in Florida and the work he's doing in Washington. He and I appear together quite regularly. Our most recent appearance was at lunch today at the Lawrence Berkeley National Lab. We'll be together tomorrow at the Sea Level Institute.

I have to tell you our presentations aren't like Las Vegas where he does the warm up act while you're waiting for the real talent and finishing your desert and coffee. It's actually the other way around. It's more like a rollercoaster. What John will do is take you to the top of the first hill. He will thrill and inspire you and then send you speeding off. Then I'll come in and add a few bumps and bring you slowly and safely to a stop. With that I would have John come up and advice you all, please keep your hands and feet within the car at all times.

John Englander - Thank you Trav. Commissioners, Port Staff, it's a privilege to be here and I have to tell you that I do travel to many cities and explain sea level rise. I studied how you've been studying it. I've read the minutes of your July meeting and watched the video as well. I'm really impressed and this isn't just a platitude, but you are taking this very seriously. You're asking some really good questions. You understand the profoundness of this.

At times I know this has become a contentious issue. Like from when I was here in June there was the grand jury report. In the July minutes there is reference to that. There are also different people who look at it differently.

What I would suggest to you all is this: this issue is the biggest issue that's going to hit this city this century. None of us have preparation for this. Sea level has not been higher in 120,000 years. Even Travis cannot remember that far back.

There's no easy answer. What I'm going to describe to you is the long view. It's different than the view that your sea level rise committee of the City of San Francisco and the report that Lauren Eisele gave you last week on behalf of that committee, which was an excellent report.

I am going to talk to you about the part of this that we don't know and where does that uncertainty leave us and suggest to you a way to look at this that may help guide you on some of the very good questions that you've asked about how do we plan for this? Do we let piers go into the water? But I would give you some comfort that of the 20 or 30 cities that I've talked to, I don't think anybody in America has it better than you.

You're asking the right questions and the concern. It was in May that Monique had invited me on to do this but in June I was at your office giving a three hour seminar about sea level rise.

It was the same week that the grand jury report was headlined saying that the port wasn't doing enough. There are two sides to a story and I would like to make both sides feel comfortable here because your anxiety and your concern is the right thing.

Even when somebody challenges you on this, maybe that's going to make us all think harder about what are we going to do because this does not have a good simple answer; both about the science and the solution, and what does it mean for this great city. I wanted start out with that framing.

As the committee reported and as recorded in your minutes, I'd like to read three or four quotes to refresh memories from just two months ago. "These projections, for example 36 plus or minus 10 inches in 2100, represent the likely sea level rise values based on a moderate level of greenhouse gas emissions." "An extrapolation of continued accelerating land ice melt patterns, plus or minus one stand deviation." Whatever that means. That's actually about two thirds probability is what that means.

"The extreme limits of the ranges represent unlikely, but possible levels" "As you can tell the science of sea level rise is quite complex." "When we're looking at planning for flooding and how to protect our assets, we need to look at the effects of tide, storm surge, storm wave, and wave run up."

"And project managers may look at these numbers and interpret them and apply them differently." And finally, "we know that sea level will rise, we just don't know exactly to what extent." I couldn't have written that better myself.

What I'd like to do is talk about what does that mean and why the uncertainty. There are certain things we know will happen. There are certain things that could happen. Now we face that in our daily lives all the time. But with sea level, it's so unprecedented and the shore line is so important to defining where the land, not just the Port of San Francisco, but where property ends, where cities exist, where islands exist. Because this has never happened in human civilization, we're all struggling with it. And that's understandable.

I want to also put the projections and risk in the context of a few other events to help make us more comfortable. Let's start with some quick basics. Sea level, of course, is the base level. We know what a daily tide is. We know there are extreme monthly tides. We know there's storm surge. When all of those things pile up on top of each other, they maximize the impact.

We're familiar with a storm like a Sandy event. We're getting used to extreme tides. You call them King tides out here. There are neighborhoods where there are storm drains that were put to take the water during extreme rainfall events to some waterway. Now -- this is from Florida actually, but it could be anywhere -- every 28 days, the water backs up and that's salt water on the streets. It wasn't that way when they designed that neighborhood.

We're in a different era and you know that. Your testimony acknowledges that. But I want to help you play it forward. Not only to what it will be decades from now, but where the uncertainty is because I think that really can help you see a bigger vision.

The chart that was shown to you in July was this one and it came out of the RNC report which was widely talked about. It's an excellent report. It talks about sea level rise in this region, just two years ago. It's based upon the report that everybody refers to which is the IPCC report put out by the UN every five or six years. I'm sure you've all read this carefully.

The point is that the science is being done very well. But when you read these reports, you realize there are some things that are being left out and acknowledged in the footnotes. There are some uncertainties. I want to talk to you about the certainties and the uncertainties because it helps to understand what these numbers mean.

The latest projections by the IPCC (the Intergovernmental Panel on Climate Change) are 10 to 32 inches this century. Most people read that and say, what's the worst case that could happen? It's not because then in the footnotes they explain there are some things we can't quantify. I want to talk to you about that because strangely, the uncertainties are bigger than the certainties.

If you look at these documents and I'm highlighting something here in red for those who can see it. Even their own language -- this is the National Research Council -- says the near term outlook -- unknown, but probably low.

The level of scientific understanding -- low. This is the same reference that we're using to say to 11 inches plus or minus 4 inches. Again I only have the highest regard for the work of the San Francisco Sea Rise Committee. They're taking the best science as it exists and as it's published.

If you read it deeper you realize we're watching a moving target. I'd like to refer to something which you're all familiar with out here which are earthquakes. This is an earthquake map. You've probably seen it. It's from ABAG, but it's really based upon the US Geologic survey.

It shows the earthquake risk for 10% risk in 50 years and different categories of earthquake: 7, 8, and 9. We can live with that uncertainty. We can still build to it. We can say this could happen, yet nobody can tell you when you're going to have a category earthquake in any location. Right? We accept that that's within the limits.

In fact, I think they were quite proud, two, three weeks ago that they had 10 seconds of warning for the earthquake that occurred here on the weekend. 10 seconds. Pretty good. We're looking for years of notice of what could happen in west Antarctica.

So, put this in a frame work that we're presently at the 30th floor of the building with sea level. Just a simple visual. 20,000 years ago, I'm going to show you it was down at the ground floor, 390 feet. When all the ice on the planet that's remaining melts, sea level will be 17 stories higher. Now, that's not going to happen this century. It's not going to happen next century. But it puts into visual perspective that we tend to be thinking about inches and maybe a foot. Sea level on this planet has moved hugely. We just were ignorant of it.

A year ago, it even made the cover of National Geographic magazine. They describe what would happen when all the ice melts. I think they did a little bit of a disservice because while they shocked people into talking about what could happen and showed how high sea level would be when all the ice melts, that's a little bit alarmist. It can't happen this century. It can't happen next century. It can't happen the century after that. It will take too long.

We need to talk to people in realistic language and that's where I want to help you just look one notch further ahead perhaps than the normal shorter term planning. What do we do this year, next year, five or ten years from now? Because if you can see where things are headed a few decades down the road as I'm going to show you, you probably will make better plans. You'll think bigger.

There's about five or six different reasons, causes of flooding starting with extreme tides as you're familiar, the King tides; storms or tsunamis in this part of the world. Then rising sea levels. We're talking about subsidence of land

can add to it; surface run off during extreme rainfall events, and downstream flooding on certain locations.

The difference is the items in yellow there; rising sea level and subsidence are relatively permanent. When they happen they don't recede. Often we miss that. An extreme tide recedes in hours. A storm surge recedes in a day or so. Sea level will not recede for a 1000 years. So, it raises the base level and we have to remember that.

As you suggested Madame President, there's the public doesn't yet understand this. Commissioner Adam said the same thing that we have to educate people. In fact several of you said this in the minutes. That's part of what we're doing here today, but this is a long term effort.

When I give talks to all sorts of different audiences, from scientists to public groups, I would say that 90% or more think that the melting of polar icecap is why sea level is rising. Maybe some people think that. I suspect most of you know that because it's floating sea ice, it doesn't add to sea level rise anymore. It's just like ice cubes in a glass. But most people think that that's what it's coming from.

What the Arctic is melting? You'll see distorted headlines -- one happened last week that say oh look well sea level -- the Arctic ice expanded as shown in this graph from 2012 to 2014. It's a distortion because it's taken out of context. If you look at the graph of sea level or the Arctic ice cap in this case, sorry. The long term trend of it melting down is quite clear. The year to year distortions -- you can pick your year and look for the angle you want, but the longer term decades shows a very clear picture and this is 40 years of melting Arctic.

The Arctic does prove that I think most of you know, as we turn bright white ice into dark ocean, we speed up the warming and that's significant. But the other lesson from the melting Arctic ice cap around the North Pole -- floating sea ice -- is this, it's been frozen for 3 million years.

It's going to be ice free for most of our lifetimes in September, sometime in next 10 or 20 years at the most. Anybody that says oh, this is just a natural cycle and you know, this will reverse itself isn't seeing the big picture. This has happened in millions of years.

The problem of course with sea level as most of you probably know, but just to recap the science before we talk about the uncertainties is sea water expands as it warms and the oceans are one and a half Fahrenheit degrees warmer. That's the first effect.

About half the rise we've had so far comes from thermal expansion just from the water itself. But then the big potential is the glaciers in the world -- 200,000 glaciers -- and the ice on Greenland and Antarctica. Most of you

probably know that, but it doesn't hurt to get it on the record that what's causing sea level rise or where the potential comes from.

Now glaciers people look at and we see all these photos of prior years and now current pictures of glaciers and how they're disappearing. But when all the glaciers in the world melt, they will run to the ocean and add two feet of sea level rise. That's all. Hard to believe. From Alaska to the Alps, Glacier National Park. Two feet of sea level rise. The problem is Greenland and Antarctica. We have to begin to understand what we know about them and what we don't because Greenland has 24 feet of sea level rise locked up. Antarctica has 186 feet.

In Greenland, this is just to help you visualize what we're looking at there. That's where glacier breaks off into icebergs. That's about 500 feet in the distance there. If you go up the glacier, you can see that bending river of ice. There are about a hundred of them in Greenland. They emanate from the ice sheet -- the flat tabletop sheet. There's one on Greenland and there's one or two depending on how you define it in Antarctica -- major ice sheets. Those are two to three miles thick. Very similar to what we had during the ice age over North America.

Because of the computer glitch, we don't have this video to look at, but if you look up on YouTube "Chasing Ice" you'll see a great little video that was produced by James Balog that shows you an incredible melting scene. They had time lapse photography for two or three years. In 2008, an area of ice in Greenland melted the size of Manhattan, in front of the camera in 75 minutes; it's an amazing video to watch.

Commissioner Katz - Can you repeat the URL again?

John Englander - "Chasing Ice" was the video you'll find. They have their own website. But if you look on YouTube, you'll find the "Chasing Ice" and there's a three or four minute clip that's worth watching.

What we see in "Chasing Ice" after three years of photography with National Geographic and the National Science Foundation is not in the models. Models try and project things, whether it be inflation rates or unemployment rates or lots of things, earthquakes. They're models. We're trying to model climate change. We're trying to model sea level rise. With earthquakes, we have hundreds of occurrences and can statistically validate the models because we have hundreds of occurrences.

That gives us some accuracy in the projection. We have not melted the ice past the current in 120,000 years. The models are just the best guess, if you will, measuring different components. We really can't validate the model until and happens. We're running the experiment now to see how quickly we can melt the ice. That video from Greenland is very illustrative.

Let's step back. What do we know about sea level? If we look back to 1850, sea level has risen, global average about 8 inches. It also happens to be the same figure for San Francisco. You're right on the global average. The line jiggles up and down and it's interesting as to why and sometimes some of the media or skeptics like to say oh look, sea level's gone down for a year or two.

As they say in finance, the trend is your friend no matter which way it's going. If you can see the trend you can get ahead of it. I submit to you that that's the same thing about sea level. If we can step back and look and see where sea level is going, not only that it has increased, but that the rate of increase is increasing, we can begin to see a bigger picture.

Sea level doesn't hit every place the same. This is graph of 13 cities. Comparing across the bottom, the horizontal red line is the average sea level -- I just referred to eight inches global average. But it ranges from 46 inches outside New Orleans to 30 inches in Virginia Beach to 14 in New York, 12 in Miami, and down to four in Los Angeles. So, how could you have eight inches of global sea level rise and four inches in Los Angeles and 46 inches in New Orleans?

Well, the difference is the land moves up or down. If the land in New Orleans has moved down 38 inches, subsided, and you add eight inches of sea level rise, it looks like 46 inches. Similarly in Los Angeles, if the plate has been lifted by the Pacific Ocean plate that goes under California and raised Los Angeles four inches it will look like four inches of sea level rise there.

It's not one size fits all. So, in different parts, you might be familiar with, they're having different issues. Norfolk has a much bigger problem than you do. What do we know about sea level? Again it has risen 390 feet since the last ice age. The bump in the middle called meltwater pulse 1a, sometimes you'll hear it. It was a natural phenomenon before man had impact. Sea level of 65 feet in four centuries. A foot and half a decade for 40 decades on end. I mean, that gives us a sense of what the potential here is. Not that it's going to happen quickly, but it does put in perspective what could happen. It's a different order of magnitude.

Now that happened because of the ice age. I like to show this graphic. It's "Ice Age Part Two: The Meltdown." If any of you have kids or grandkids you may have had to watch this like I did. My daughter was six and I watched this 20 or 30 times. And behind Manny, Sid, Diego, Scrat, and the other animals there, there's two miles of ice. It just reminds us why sea level changed so much.

Nobody doubts we had ice ages. We've had an ice age every 100,000 years for millions of years. That's what causes sea level to go up and down 350 feet. That's two miles of ice -- 10,000 feet of ice turns 400 feet -- 350 feet of sea level. That's believable. We just never think of it that way because for 5,000 years sea level's been level and I'll tell you why.

There is a pattern to sea level. If you look a roughly 1 million years here, it goes up and down with a regular period. The problem is the ice that's stored in Greenland and Antarctica. Antarctica has seven times the amount as Greenland as I already referenced. The areas in red in Antarctica are the concern.

There are some glaciers that are simply called the Pine Island Glaciers. In the science literature, we refer to them as the PIG for short. P-I-G. But the PIG is really six glaciers -- the Thwaites's Glacier. And those six glaciers have about ten feet of sea level wrapped up in them -- and I can't show you this video, but there are several available and I can make them available to the Port if you wish. But they're easy to find -- showing that those glaciers are being eaten from underneath.

They don't even appear to be what they are anymore because they're being eaten from underneath by the seawater. They go into the ocean. The calculation and question is: when will those glaciers be sufficiently eaten underneath so they pass what's called the grounding line -- which is where they hit the ground -- where they could slide into the ocean?

There's a lot of study. Probably hundreds of millions of dollars of study -- because it's tough to study Antarctica -- of saying what do we know about that?

The science is improving dramatically. It's improved since the last IPCC report. It's improved since the last NRC report that your study is based upon. You may have seen in the news this year -- there were news reports on the evening -- the mainstream news -- out of Antarctica -- unstoppable sea level rise from Antarctica now. It's because of this area.

The unfortunate truth is with the best science we have. Without any political nonsense that we can't say for sure when those glaciers are going to slide into the ocean. What the scientists do, which seems counter-intuitive is if we can't be sure of it, we don't want to say. Makes sense because it's our reputations. Right? So, we tend to say the things we can quantify for sure like thermal expansion of sea water, glaciers melting. But when we get something -- well it could happen this century, it could happen next century. We just don't know. They footnote it, but it's left out of the figures.

That's a problem. It's not just a problem for San Francisco. It's a problem for all coastal areas and every place on a tidal river. I mean this will reach Sacramento. Miami has a much worse situation than you do. I live about an hour away from that. Places all over the world, from Bangladesh to Manila, from Shanghai to the Bahamas. Boston. This is a global problem.

You are trying to get out ahead of it, which I want to wrap up and talk about. I want to put into perspective the science first and why the uncertainty. It's not

incompetence. It's not playing games. You can't know when those glaciers are going to release in effect and slide into the ocean. The date is getting much better, but it's the uncertainty and it's not in the numbers you're planning for.

In fact, just to put in visual perspective, I've taken the numbers out of the IPCC, which the National Research Council reports builds upon -- and looks at scenarios. As your committee suggested, we need to begin to do scenario planning as opposed to looking at one number. The four scenarios for climate change, if you will, are shown in these columns. I've got them kind of identified by components.

I don't know if you can read them. But the top layer is Antarctica. It's the turquoise. The bottom, the red layer is thermal expansion -- sea water. That's the one we know for sure because as the ocean warms, it's going to expand. The next one above it is glaciers. The ones that don't change much are Antarctica even though they're the biggest potential change.

In fact if we overlay the potential increase in sea level from that one area of Antarctica -- not all of Antarctica, just that one area -- just as a reference comparison, you see the problem. We're really focusing on the inches where we can measure and calculate and we're saying we just don't know when those 10 feet is going to hit -- whether it's this century, next century, the third century. Nobody would want to scare people. That's not our goal here. But I want you to think bigger because it's implied in some of your questions.

The other problem is methane. Methane we can't calculate very well. How it's coming out of the ground. But methane is much warming factor than carbon dioxide.

Let me bring this to a close and turn it over to the local impacts in a moment but I'd like to show you two sets of graphs. With these 400,000 years of sea level rise, up and down with the ice ages, if we superimposed temperature -- global average temperate and carbon dioxide in green.

Carbon dioxide is in green at the top or greenhouse gas. Red is temperature. Blue is ocean. 400,000 years from left to right -- the present being on the right hand side. What's amazing is there's four ice age cycles. Look at the red -- temperature up and down nine degrees Fahrenheit global average difference. The three lines line up -- sea level, temperature, and greenhouse gas.

To put this in perspective, the problem many of you probably know this already, but in the upper right is that vertical red line. Greenhouse gas, carbon dioxide is gone out of the bounds or one eighty to two eighty and it's now 400 and climbing straight up. Temperature is following it. So, greenhouse gasses are 40 percent higher -- there's a little lag time -- temperature is now one and half degrees warmer than a century ago and sea level is eight inches.

The data from 400,000 years ago comes from the bubbles that are in the ice, which give us the ancient data. But if we project out what is going to happen within bounds, we can see that all three are going to go up. It's now locked in.

As you know, and it's implied in your minutes that with climate change, we have to do two things simultaneously. We need to reduce greenhouse gases so we do our share to reduce the warming. But that will not stop sea level rise. Even if the world stopped carbon dioxide today, sea level will still rise. So, they require two totally different thrusts as your report indicated in July. We have to do the right thing to reduce the warming. But even if we got that perfect, sea level would rise because of the lag time, because of the heat that's in the ocean.

The last graph to leave you with is just to show you that the projections for sea level rise in the scientific reports tend to be low. The best proof of that are their own projections. This is the projection for sea level rise from 1990 -- what could happen by now.

I've cut it off at the year 2014. They redid the projections, the information was extracted from a paper by Stefan Rahmstorf. In 2012, they did the projections again for how high sea levels could rise. The green lines are a little narrower and a little higher.

Now we can look back and say how accurate were they? These were the best scientific projections of the time. Well, the gold line is sea level and the red line is a smoothed trend line. What you can see is that they're at the top or even above some of the projections.

In the last decade or two, the best conscientious science has if anything's been low in terms of what could happen with sea level. That's the proof. The scientists are not exaggerating. Most people say they are or many people say they are.

The fact is they're cautious. Normally when we're cautious to plan to earthquakes or fires or airplane safety or things like that, we go overboard to say what could happen. Here we're doing the opposite. We're not counting the worst case because we don't know yet.

To close, the insurance industry is worth quoting because they look at this and study it big time. Their own association is the Geneva Association. To briefly quote in a study they did for the reinsurance and insurance industry about the warming of the oceans. "Ocean warming has effectively caused a shift toward the new normal."

"Even if greenhouse gas emissions completely stop tomorrow, oceanic temperatures will continue to increase." "And in this environment, traditional approaches solely based on analyzing historical data increasingly fail to

estimate today's hazard probabilities." "And due to the limits of predictability and scientific understanding of extreme events...today's likelihood of extreme events is ambiguous." That's not what we want to hear. You want to think, we'll put more research on it.

"And as a consequence, scenario-based approaches and tail risk modeling become an essential part of enterprise risk management." What they're saying is that it's different. We're in a different era. So, again, this is not to dispute what you heard two months and the work of your committee. In fact if anything, I think they've done as good a job as they could have done. I'm only asking that you put in perspective that as in their words, the science is changing.

If we look over the last ten or twenty years, the estimates keep increasing in trend. If we're to think ahead of this trend, so that you can design and invest for the future, we need to try and get ahead of the curve at some point. The good news is this is not a problem that can hit us tomorrow like an earthquake or a storm or a tsunami. This is a slow problem, a slow emergency.

This is a photograph from a town in the Netherlands, Vlissingen. And it's just to show you that faced with storm surge and river flooding, that you can creatively design a waterfront differently. The berm or levee is 10 or 12 feet above the beach, and then the roads another meter or two -- four or five feet. And then the building heights are another four or five feet above that. And the ground floor by building code in this town is a wash through. There's no critical equipment down there. So, they have about 25 or 30 feet above the sea level. By bold design and building regulations. It doesn't happen overnight. It takes a far sided design.

Conversely, my last image -- you've probably all seen the gates at Rotterdam Harbor. Most of you have probably seen pictures of that. Well, I've been there and -- some of you probably -- Maslav Kering is the real name. It's an interesting story because it was part of the Dutch coastal defenses put into the place in the last 50 years because of the terrible storm 1953 that killed 1800 people one night -- when they started their whole program of coastal defenses.

This \$1 billion structure was to protect Rotterdam Harbor -- was 1 billion out of the 6 billion that they planned in the Delta Works program. Now they know the design was wrong because they allowed for one foot of sea level rise. Because back when they designed this in the 1980's nobody thought we could get four or five or six feet of sea level rise. So, the design criteria were inadequate.

They get it. I mean they're far ahead of us in terms of hydrologic engineering. Until 10 years ago, they did not understand what was going to happen with sea level rise. Now, they're redesigning it, but this structure will have to be replaced. Out of that understanding and turning this over to my colleague and

friend Will Travis, I want to bring this down to the Bay Area. And your very real issues about how you redesign a waterfront that's been here for over a hundred years. This building was built in 1898, over a hundred years old. The elevation of the Embarcadero was essentially set 100 to 140 years ago. We're still building off that same elevation. We now need to think, what they are going to say 100 years in the future when they look back and say when in the 21st century did they realize that sea level wasn't static? Now you've already realized that. The question is how far are you going to look ahead so things are an investment and not written off or go underwater.

And also recognize it's not just San Francisco. While your questions about funding are really good, there are a lot of cities that are standing in line for federal funding. Sea level is going to hit every place. It's important that you do that, but you also may want to think really creatively and boldly.

Jakarta just announced a month ago \$34 billion -- they've got far worse problems than you do -- and they're building an entire sea wall, like a new city almost off the mouth of Jakarta to protect them because they've 13 feet of sea level rise in the last 30 years because of subsidence. But they're paying for it because they're going to create real estate -- like those islands in Dubai and the United Arab Emirates -- where they've actually created real estate. So, it will be a bold, bold plan.

I'm not suggesting that you're ready to do that now. But I am inviting you to think ahead as some of your questions very astutely pointed out because the waterfront of San Francisco 100 years from now, will be a very vital, exciting part of the city. This city will be here 100 years from now. When I stand in Miami, I don't say those words. I don't know whether Miami will be here 100 years from now. I know it will not be there 200 years from now.

You have an opportunity here. For all the reasons that you've spoken so eloquently and passionately about your city and the concern put in by the committees, the scientists, all of your planning people, and even the grand jury -- with your concern because you all love this city. I understand why. It's a great city. If you ask the hard questions and what should be our time frame on our vision, you have a bigger problem than any past administration. You also have a better opportunity to think outside the box and think big. Thank you.

Will Travis - John has given you the global and national level view of things and I'm going to focus on the Bay Area and particularly San Francisco waterfront. As John mentioned, San Francisco, this is the only statistic in which San Francisco is average. We've had average sea level. We've had eight inches of sea level in the bay. We know this because the longest continuously operating tide gauge in the United States of America is at the Golden Gate.

As John explained, the levels are expected to accelerate in the future. Nobody knows exactly how much. This graph shows between 23 and 55 inches of sea level rise by the end of the century.

Again, the precise numbers don't matter as much as the trend. To understand the impact of sea level rise in San Francisco Bay, we actually have to look at the past. Here are two pictures, aerials of San Francisco Bay. The one on the left is what our beautiful bay looks like today. The one on the right shows that at the time of the 1849 gold rush, the Bay was much larger.

It was larger, but by the middle of century, a third of that large, wet area was gone because it was shallow. Two thirds of the bay was less than 12 feet deep. So, a lot of the bay was reclaimed for real estate. Today, the bay is surrounded by about 240 square miles of filled land. And it was filled just high enough to get it above sea level of the past.

This legacy of filling the bay is a great predictor of what sea level rise could do in the future. Here are two maps. One showing the extent of the water in 1849 and the other, where it could be with sea level rise in 2100. You look at them and they're pretty much the same. At first blush, it's tempting to say, this is great news. All that area that was reclaimed over the past century will become part of our beautiful bay in the future.

The bad news is that we've built all kinds of expensive stuff on that low lying real estate including stuff that is simply essential to civilization as we know it.

Let me show you a few examples. This is San Francisco International Airport. The light blue is the area vulnerable by mid-century you could see unless protected by the end of the century, the whole airport could be underwater. Now some people look at this and say, I get the message. Fly Oakland. This is Oakland International Airport.

Here is another icon that is essential to civilization. This is Silicon Valley. It faces double jeopardy. Silicon Valley used to be called the valley of hearts delight. It was covered with fruit orchards, which were irrigated with well water. And as the water was withdrawn, the ground elevation sank and much of the Bay Area, South Bay is now below sea level.

What this map shows is that a lot of high tech companies are located in this low lying area. The map illustrates two things. First, aquatic wildlife and geeks seem to prefer the same habitat. Second, unless there's a massive flood protection system built, many of the world's most famous IT companies could end up showing over extended suburban homeowners what it's really like to be underwater.

The good news is that the Bay Area is among the national leaders in planning for sea level rise. Four regional agencies are working together under the guidance of the Bay Area Joint Policy Committee to coordinate local climate

change planning and to formulate a regional sea level rise adaptation strategy. BCDC has been working with a host of public and private stakeholders on the Adapting to Rising Tides or ART project. That's assessing flooding vulnerabilities and working a strategy for the East Bay shoreline between Emeryville and Newark.

This same ART process is being used by ABAG and BCDC to develop a regional resilience strategy that can be incorporated into the next iteration of Plan Bay Area, which is our region's version of a sustainable community strategy that's required by SB375.

Santa Clara County has initiated a project called Silicon Valley 2.0 to evaluate the exposure to climate impact, examine potential consequences and develop adaptation strategies. U.S. Senator Diane Feinstein is leading a coalition of business leaders, environmentalists and others who are trying to raise \$1 billion over the coming decade to protect those corporate campuses and other shoreline development in Silicon Valley from the danger of flooding.

In San Mateo County there's a pioneering collaborative of federal, state and local elected officials who are leading an initiative to work with all 20 of their local jurisdictions to prepare a sea level rise vulnerability assessment, to explore local financing options, and to evaluate organizational structures for ongoing planning efforts.

The city of San Francisco is engaged in this project because a city known asset that is known as San Francisco International Airport actually occupies a large portion of the San Mateo shoreline.

To our immediate north, Marin County is using a variant of the ART process to address significant flooding problems along the Marin shoreline. As you know, the port is working with all other San Francisco city departments to address sea level rise in the city's planning capital budgeting processes.

While future sea level rise will be a big problem, it won't be the slow rise of the average level of the sea that we'll have to deal with first. It will be the extreme level, at high tides, enduring storms. We can already witness these extreme King tides. They're like a time machine. They give a peak into the future when sea level rise will make these unusual daily events, unusual events daily occurrences.

We also have to deal with a phenomenon called storm surge. That's what we get when we have heavy rain, low barometric pressure, high tides, and strong winds. They all come at the same time. When these storms blow in from the tropics, they contain so much water, scientists call them atmospheric rivers. The frequency of these intense storms could dramatically increase in the future. It is quite possible that a King tide and a storm surge will come at the same time. That's what happened when hurricane Sandy struck New York City.

Our flood preparedness planning needs to be coordinated with our planning for other disasters but we also have to recognize that sea level rise is fundamentally different from other disasters. When we prepare for fires, river flooding, and earthquakes, we work to reduce the likelihood of them happening at all. We try to minimize their destruction when they do occur and then we move to return to normal as quickly as possible.

But as John explained, reducing greenhouse gas emissions can slow the rate of sea level rise in the future, but it can't stop or reverse the rise. Even if we park all our cars, shut down all the power plants, turn out all the lights, everywhere on earth right now, it's inevitable that the level of the sea will continue to rise.

Whatever elevation target you choose to use in your planning for protecting the San Francisco waterfront over the next several decades, it's inevitable that water elevation will eventually be over topped. Therefore, your vision for the San Francisco waterfront of the future will be far more important than the specific water level you plan for.

What this means is that the location of the shoreline from now on into the future will be difficult to grasp. For the past 6,000 years, the idea of a permanently temporary shoreline is as I said is difficult to grasp. For the past 6,000 years, the earth's climate has been pretty stable. This coincides, as this chart shows, with a period when our human civilization was developing. During this period of time, the shoreline has always been where the shoreline always was. Therefore, we have believed that the shoreline will always be where it has always been.

Our species has never had to deal with the idea of sea level changes or that the shoreline could move inland. What we're going to have to do is unwire the hardwiring in our brains that connect the words shoreline and permanent. We will have to learn all new ways to plan, develop, enjoy, and make prosperous use of our immediate shoreline areas in ways that will accommodate and adapt to the fact that the shoreline will forever migrate inland.

Building coastal structures that we expect to last for a thousand years probably isn't a good idea any more. These are the only kinds of castles we should be building along our shorelines. In fact it may be better to building coastal communities that are more like long term camp grounds than permanent cities. But do we really want to live in shoreline communities that all look like RV campgrounds?

We do have the good fortune of living in one of the few coastal regions in the world that separated from the sea by one narrow opening. Therefore, I believe we should investigate the feasibility of building some sort of a barrier at the Golden Gate. This is a proposal that was one of the winners at the BCDC port sponsored design competition that was for a temporary barrier, a

membrane barrier. Crazy Idea? Well, it came from Craig Hartman at SOM who designed your airport so maybe it has something going for it.

Perhaps an offshore title barrier could be built. This is another design competition winner. This could preserve the current configuration of the San Francisco waterfront. At least for a while. But we also need to begin thinking about new architectural forms that can adapt to sea level rise. In some places, floating structures may be appropriate. In other places, buildings designed to last for only a short period of time may work. Structures that can be disassembled, moved, and reassembled are worthy of consideration.

San Francisco architect Rod Freebourne Smith has come up with this whimsical image of what the San Francisco waterfront might look like. Gabriel Caprellian, one of my students at UC Berkeley has developed some equally imaginative ideas. Surely there are many other innovative ideas that can be explored.

Approaching the challenge of how to plan the San Francisco waterfront in the face of ever rising water may seem overwhelming, but let me offer a few words of solace as I hope will make your job easier. The first thing I'd like to suggest that I hope provides some comfort is that your challenge is actually easier to deal with than the challenge faced by your predecessors.

Imagine yourself sitting here a hundred years ago in 1914 as members of what was then called the Board of State Harbor Commissioners. You were operating a port configured to handle cargo operations in much the same manner that ports around the world had used for centuries. You and your fellow commissioners were pleased that the construction of the sea wall along the waterfront that had begun in 1863 was nearing completion. You were in the midst of carrying out a massive program to strengthen and enlarge your piers and to finish building sheds on the piers to accommodate cargo handling along the entire waterfront.

You had built a railroad, the Beltline. You even adopted a program for architectural decoration to apply the principals of the City Beautiful Movement to hide noisy, dangerous, and unseemly cargo operations on the piers, which had a Hollywood stage backdrop of bulkhead buildings. The Harbor Commission continued to successfully operate the port in this manner during World War I, during the Great Depression, World War II, and even into the 1950's. Then in the 1960's, something unexpected happened. Something the Board of Harbor Commissioners never envisioned a half century earlier in 1914. Containerization made the finger piers obsolete.

Because your predecessors hadn't anticipated this logical revolution, all they could do was try to play catch up. But despite Herculean method measures, including transferring the management of the Port from the State of California to the City of San Francisco, the Port of San Francisco could never catch up

in this game of containerization and Oakland became the preeminent port in the region.

Your board ended up having to play a different game over the last half century and you have focused on transforming a waterfront configured on obsolete shipping technology into a vibrant retail, commercial, office, and entertainment district. You can take great pride in the fact that you have succeeded so admirably. But if the port commissioners in 1914 had known that the facilities they were building would have an effective lifespan of only 50 years, don't you think they would have made different capital investment decisions?

Sitting here today, you have the advantage of knowing that the future will bring changes to the San Francisco waterfront that will be even more profound than the changes brought by containerization. Sea level will irreversibly alter the face of San Francisco over the next century.

Sea level rise has been described as being a slow moving emergency or like being attacked by a tortoise. But you know this emergency is coming and the attack has started. So, you are in a much better position to prepare for the future than were your predecessors a century ago. You don't have to play catch up. Your legacy can be that you prepared for the emergency and you laid the foundation for beating back the attack.

You now have to think about how to plan and manage a waterfront that will either face the backside of an ever growing levee or be composed of permanently temporary uses that will either have to be waterproofed, retrofitted, replaced, or moved over and over again and again.

As you begin dealing with this challenge, you have two big legal and cultural advantages over other institutions facing the same problems. First, you operate within a legal structure that compels you to deal with a series of interim waterfront uses and developments. You can't permanently encumber the property you administer. You can only lease parts of it for fixed periods of time.

Now John Englander contends that all coastal property will eventually have to be treated as interim leaseholds and advertised over time as the shoreline moves inland and inundates the property. You have a jump start by knowing how to apply this new principal of real estate.

Second, you have experience at managing the type of interim uses that are appropriate along a permanently temporary shoreline. And you can build on these two advantages as you develop a sea level rise adaptation strategy for the San Francisco waterfront. Let me offer a few recommendations as to how you can best formulate such a strategy.

First, take the lead, but don't go it alone. We know we can never expect the Embarcadero to become one of the world's grand boulevards if the port decides what happens on one side, the planning department makes the decisions about the other side, and the MTA is in charge of the area in between. In the same way the port along can't be expected to address flooding that will impact parts of the city well inland of the port's jurisdiction. Similarly, when figuring out how to finance whatever protection and adaptation measures you decide are appropriate, don't try to generate all of the revenue internally. With a city located at the tip of a peninsula, many properties, facilities, and people in San Francisco will be directly impacted by sea level rise.

All of the city and its entire population will face indirect impacts. Therefore, the cities plan for sea level rise adaptation must be a plan developed, financed, and implemented by the entire city, not just by the port.

I have spent my professional career as a planner and a government executive striving to find the best design solution, the best urban configuration, and the best regional plan based on solid scientific research, careful analysis, and extensive community participation. This approach has worked well in a world of certainty.

Climate change will make our future considerably uncertain. In the face of this uncertainty, it might seem prudent to take a defensive stance and do as little as possible now and to deal incrementally with the problems that arise along with the water in the decades ahead. But kicking the can down the road isn't a solution. It's a cop out.

Instead, be bold, think big in creating your broad vision for San Francisco's future waterfront. And then allow the details of that vision to dynamically evolve in response to the unpredictable and ever changing conditions that will unfold in the decades ahead.

If you decide that a higher sea wall is needed along the Embarcadero, envision a massive, tall, multipurpose levee like this one that's been proposed in Rotterdam. If you decide it would be futile to try to hold back an ever rising sea, begin integrating water into your land use planning now, like they're doing in China or in Hamburg, Germany.

To allow you to achieve this bold vision, begin laying the legal, procedural, and financial groundwork that will enable the port to be nimble and innovative in implementing your vision in a future where little is certain beyond continued sea level rise.

This is the legacy of the decisions that were made by your predecessors a hundred years ago. Think how much easier your jobs would be today if the Board of Harbor Commissioners had decided in 1914 that their primary

planning objective should be to give their successors -- you -- the flexibility to transform the ports cargo facilities into something else.

That was not the decision they made. You can make a different decision. You can think big and bold strategically, while laying the tactical groundwork that will give your successors the flexibility they'll need to be innovative. Accomplishing that, I believe, should be the legacy you aim for.

Over the past few decades, and particularly over the past several years, under the inspired leadership of Monique Moyer and you the Port Commissioners, the port has demonstrated that it is capable of meeting whatever challenge comes your way. Dealing with climate change is undoubtedly the greatest challenge of our time, perhaps of any time. Fortunately, you can build on the foundation of your successes as you face this daunting challenge.

It's been a privilege to speak with you today. I hope that the presentations that John and I have made have been helpful to you. Thank you.

Ernestine Waters Weiss - I'm an activist in the city. For those of you don't know my accomplishments; I created Ferry Park right opposite the port as open space when the Loma Prieta earthquake happened. That freeway should have never gone up. That was an example of the worst planning that I have seen in my lengthy career in real estate.

However, the earthquake happened and I had the vision and the leadership to create that open space. Some people foolishly put a playground there. Not thinking about all the sea level rise. I was at this very room when they had numerous meeting about 8 Washington. I pleaded with you all along with many other people. 99% of the community criticized it as being the worst architectural disaster and they were right. I don't care if it was the leading architect in charge of it. It was the wrong thing. Mainly, it had no set back.

Thankfully, the Boston properties Embarcadero building was set back. That is how I was able to make open space. This was the greatest thing ever. Golden Gate Way, where I live, is set back a block from the waterfront, thankfully. Leave it alone. You all voted for it. That was the most foolish thing I've ever heard of and sea level rise was brought up at that time. The planning commission voted for it. I don't know where they got their facts from. They can go to 10 million colleges, but they're not thinking with a full deck.

My father was an architect, self-taught. But he was brilliant because he had good, common, practical sense. I inherited his genes on that regard. Sea level rise is a real threat, as you all have pointed out, but you're not following through on your development of the port. I've going to leave Monique with a proclamation of all that I did in the city. And you should listen to the people who live here.

We want the best for the city, but wake up. They all pointed out to you how serious the sea level rise is and it's frightening. What if they built 8 Washington up to the sidewalk, which they wanted to do? Think of this. You go outside here and you look at the water. The level of the water is the same as the sidewalk. All we need is a little storm, never mind the big tsunamis and all that. Forewarned should be fore wronged and in your planning you should all take that into consideration. We need some real gutsy people here to make bold decision in light of all these fact that they brought out. So, please in the future, listen to us. The people who live here know the facts and know what we're up against. And I don't know about barriers.

Commissioner Katz - Thank you for all your work on behalf of the city. Since we're lucky enough to have David Behar here, you might be able to speak to and just let us know a little bit about what is happening at SF Adapt.

David Behar - We've got our sea level rise guidance out for comment right now in all the city departments and we're planning on having a conversation at the Capital Planning Committee on September 22, 2014. We've been working for a year on developing the guidance. I appreciate the kind words that John had for the way we've gone about it and the formulation of policy that's represented there as well as the hard work that we've done to try to understand what the science tells us and to deal with the uncertainties. Going forward, implementation of the guidance and thinking through how to deal with sea level rise will be very much an iterative and organic process. I don't think we should think ahead of time that we're going to have all the answers at the beginning or even that we're going to know how to protect each and every project that we think through at the outset. It's going to be something that develops over time. We should be comfortable with that because this is a new area.

As far as the extremely imaginative ideas that Trav brought up, I think we need to be thinking in those directions and we also need to be thinking practically about what happens when we want to put a pump station in the Embarcadero area to make sure our storm water gets out when it needs to get out. So, it's balancing all of those things.

I think also that the difference between earthquake on the one hand and sea level rise on the other is an earthquake comes upon immediately and there's no escape. Sea level rise is going to be, as John said, a very slow, inexorable process. It's only going in one direction, but we have decades in which to think through what we're going to see in 2100. We have time to think about what we're going to see in 2050 now. The guidance is intended to walk us through as a community, as a city, all of those processes that will make sure that we're doing it in a prudent and intelligent way.

Carol McCarthy - I wanted to know what your plans were for involving community groups and getting RFP's and different things like that? And also if Mr. Travis and Mr. Englander were actually paid because it seems like they're

so complimentary about you and they kept referring to the grand jury and what wonderful work you guys have done. I would just like to know if they were paid for these presentations or what your plans are for the future, and also involving different planners and architects and community groups.

Commissioner Katz - I want to thank both of you for your presentations. We appreciate you bringing your expertise here. One of the things we'd wanted to accomplish by having both of you speak today is to start highlighting the importance of this issue.

We know our meetings are televised and I know that there are a number of people who couldn't be here today, but will be watching this. We were hoping that not just the port, but other departments effected, as we've seen today, a number of other departments have representatives here.

We're hoping that this presentation will spur a lot of the thinking. As much as we wish you had all the magic answers for us, you certainly did raise the questions, and brought some of these issues that we are all thinking about to the forefront. We do hope that those of you that were here today and saw the presentations and those of you who are watching them, will make sure that it's disseminated further than just the physical audience that we have today and that was certainly the intent.

We as the port thought it was our civic duty to highlight this issue that we've been talking about so much and to make sure that others really start to pay attention to the impacts as we go forward because as was pointed out, it really does affect so much of what we're doing. Thank you both for being here and for your very thoughtful and knowledgeable presentations.

Commissioner Brandon - I too want to thank you both for that wonderful presentation. For me, it was very overwhelming, but it really hit home. I've heard about sea level rise, we've discussed it, but your presentation, your definitions showing what could actually happen over the next 50 to 100 years, was really enlightening. I want to thank you and tell you how much I appreciate you. I can't wait to read the book. I'm so glad to hear that we are ahead of the curve. Whatever that means and that we, the city is collaborating on this effort and doing such a wonderful job from the forefront.

I too want to keep this in front of the public's eye and hopefully we can come up with quarterly, semi-annual informational presentations on what we're doing and how we're moving forward with this and starting to come up with policies on how we are going to start our planning process going forward because we really do have to make a change. Thank you for enlightening the conversation and bringing this really to our attention..

Commissioner Murphy - I would like to thank you both for a very in depth analysis of all of this. It's something that we need to move on and I'd be inclined after hearing all of that, going for the 66 inches.

Commissioner Woo Ho - I want to thank both of you also. It was extremely educational, informative and there were a number of take-aways. We're very pleased that we already embarked upon a process within the port and the city with all the agencies and the committees that are going to study it. We've been getting reports on them in terms of the process that we're trying to use within the city. We also heard last month from BCDC as well. We've got all the players involved but some of the implications that you brought to us today to give us more understanding of the fact that we should realize that this is a moving target. This is not because of lack of effort but that there's the uncertainty. You've explained and simplified a complex subject and I appreciate that.

The other take-away that Will was able to give us and something that we should really seriously think about and since we mentioned earlier that we're going to be taking more time to digest our City Land Use Plan. It certainly gives me pause today to think about two things. We heard from the planning director about the overall plan in terms of the development needs of the city, and what we expect over time.

Secondly, we heard that this is a longer term issue rather than in the next five years. As you aptly pointed out, if the Harbor Commissioners in 1914 thought a little longer of what their short term decisions mean in the long term, it would have been a different situation. This is a very appropriate time for the commission to rethink a little bit as we try to think through what we should be thinking in the Land Use Plan. We're not going to solve everything in the next month or so but to embark upon what the strategic themes and visions should be because you clearly impressed upon us it's going to change how we think about the future. This is a huge turning point and it is going to take decades, but we should start to think about now how that's integrated in terms of our thought process for the next reiteration of the Land Use Plan when it gets updated again in five years.

We probably need to pay more attention to this. We have referenced it. It is certainly noted in the plan today, but it is not really totally sunk in. It's not that we have all of the solutions yet, but we need to rethink how that's going to affect us because if the waterfront has to rethink in terms of all the structures, it really is something we need to think about now and to alert the existing uses of the waterfront today and what they have to be thinking about. We've already said in the new developments we have to think about sea level rise.

There's a lot of planning that needs to go on with the existing users and what they need to be thinking and facing as we go forward. Whether there is new innovative ways to think about for the waterfront going forward and how it's going to look. We've assumed that everything was the base case. We were very happy to reunite San Francisco with its neighborhoods, with the tearing down of the Embarcadero Freeway but we face a much bigger challenge going forward. The look and feel 50 years from now is going to be

another major change, which we need to start preparing for and thinking about now.

Commissioner Adams - John and Travis, I thought your presentations were really interesting. I appreciate the community coming out. I wanted to share with you guys what got to me was that in January of this year, I went to Antarctica with National Geographic. I went on my own; it was on my bucket list. I saw what was going on down there.

I came back and then I was watching what was happening here in our city. A lot of our politicians try to minimize what is happening with this. It's a reality. It's going to happen. Either we get out front or we're going to be playing defense. You guys both laid it out. I really got it. You laid it out with a lot of common sense. This thing is in the infancy stage. One of the speakers had a question but I know her question will be answered.

This is going to take the community. It's going to take the agencies of the city. It's going to take a lot of people working together. We're having this discussion. We're talking about this. We're not going to kick the can down the road. There's going to have to be some hard decisions that we're going to have to look at.

Just like Commissioner Woo Ho said, this commission is not afraid to take things on. We may get criticized, that's okay. Those that can criticize, I say to them, join us, even fight with us. But nowadays, you've got to get involved in this because it's an issue. I like Travis, what you said because my union is the ILWU.

I know the history of all these ports, and the change that happened here when containerization came. It was a change. Oakland made the change. Seattle is a lot like San Francisco. We have multi user port, restaurants, baseball stadiums, retail, and a lot of different things. Oakland went the other way. They went into the container business like L.A., Long Beach, and Tacoma. There was a fundamental change that happened but San Francisco is really a unique port because it can adapt to so many different things here. It's a very diverse port.

It's like a portfolio. You've got to have more than one stock in your investment. You have to have several other stocks in your portfolio just in case one is up and one is down. That's just common sense. I know that. I'm just a working guy. I get that.

I think our lawmakers need to hear that. I know you spend time in D.C. I spend time in D.C. When I came back from Antarctica, I met with my good friend, Senator Mark Begich of Alaska and Senator Jeff Merkley of Oregon. I told them what was going on in Antarctica and even what was going on in the ports.

They've been here to this port as a guest of mine. I've tried to explain to them. They say Willie; you know we're the younger senators in Washington D.C. I mean, we're in our 50's. The older guys are in their 90's. They're saying we're a new generation of young senators and we're trying to have this debate. Exactly what you guys were talking about. The president ran on that issue but he's got so many other problems, I don't think he will ever get around to that because of what's going on in the world.

This is a serious issue and I really appreciate it so much. I wish Representative Nancy Pelosi, Senator Feinstein and Senator Boxer are because this is an issue. As they say, as California goes, so does the rest of the country. I would like for us to really get out in front. This is like a pilot program, but I think it's going to work and we need to get the community involved just like you said about education.

If you don't take care of yourself in life, then your health goes bad on you. We have an investment in this port and part of restructuring the port is sea level rising, repairing these piers. They all go hand in hand. If we don't do it, we will have failed our future commissioners because we refused to take the criticism, make the tough choices, lay out a plan, and have this serious conversation with our community, with our government officials and have the courage to fight for this.

This is real simple. This is the right thing to do. You don't have to be a genius, a Rhode Scholar to figure that out. This is the right thing to do. This will affect us. If we get out front, the country will look at San Francisco and go you know what, they got it right. I believe that. I believe that you've laid it out. If we don't do anything, shame on us. Thank you gentlemen for your presentations today.

Commissioner Katz - I concur with the comments of my colleagues. I have to confess, I'm a little bit frightened by the task ahead of us. Some of the take-aways that I have, first, and something I've known as well, but it hit home, are the projections are so inaccurate and probably a little too cautious. I do hope that we will plan much more for the future. Taking into account, I think much more significant impacts than what the average might be.

Something important to note, that even if we do reduce the greenhouse gasses that may have some impact on global warming in terms of some of the storms and some of the weird weather patterns that still won't have an impact on the rising sea level -- just perhaps, some of the events that hit us in unexpected ways. We really need to make sure that we plan for all of that, regardless.

The word that keeps coming to me and shines through is vision. That is something that we do have an opportunity to try and exercise a vision for the future. Again looking at what the Harbor Commission was faced with years ago, that's a great analogy with what we're facing today. Thank you Trav.

We really do have to look at what we're going to leave for the next generations going forward. One of the things we're lucky to have today, other than people that did recognize that global warming is an issue and that we do have sea level rise. The Bay Area got it before other parts of the country, perhaps but we also do have an incredible community here with a wealth of talent. This was pointed out by one of the speakers. We will be doing things to reach out to the community and to bring those people in. As we discuss where we're going, we have a number of groups that meet, but we're also looking at ways to expand our outreach. Even just the next commission meeting -- going out into the community as part of our efforts to signify that we want all of San Francisco to be involved in our issues.

We do have some very creative, talented, and intellectual people in the area that we hope we can have them come to bear on these problems because there is no one magic bullet or one easy solution. Certainly the point was made that we're not looking at just a few years out, we're going to have to really plan for several years out. It is a slow process. I was thinking as the analogy was to the turtle, well the rest of that story is it's the turtle or the tortoise and the hare and we remember who won.

We do need to be very mindful of these impacts. I do thank both of you for sparking the dialog with us. I wish you had the answers, but I do appreciate. We've got a city that's working together. As more and more people really raise the hue and cry and try to figure out the best ways of addressing these issues -- and as they were saying, to be creative -- that we do have to think of beyond the usual paradigms. Not only look at best practices around the world, but also be leaders in that. Take this as an opportunity to come up with best practices that others can look at as we do our planning and figure out where we're going. We have our work more than cut out for us. We may call on you I hope, for other thoughts and ideas, suggestions and input.

I appreciate all of your insight today. I thank everyone for being here. I want to reiterate, we do hope that this presentation will be extended further. You were mentioning that you wish some of our elected leaders would see it. I encourage you to have your friends click onto our site. That really was the idea behind this to extend these concerns further. Thank you very much for being here and we appreciate your time.

Monique Moyer - Ladies and gentleman, thank you for coming today. Lauren or David, if you could talk to Ms. McCarthy who is walking out, to answer her questions on how to talk to the community.



13. NEW BUSINESS

Commissioner Katz - I had mentioned this several meetings ago but after coming back from France and seeing what they did with Fete de la Musique. I know that it's a way out in theory, but it is coming upon us, so just wanted to see if that can be done here at the Port.

Monique Moyer – This is not on the agenda, so I don't want to go into it, but if I can brief you later. It is happening not as a Port function, but as a city wide function.

Commissioner Katz – Perfect, even better. As we touched on the naming of the Mimi Silbert pathway, at some future point, there will actually be the ceremony with the installation.

Monique Moyer – The Commission has to hear the item first and will determine to move forward.

Commissioner Katz - That's calendared next meeting.

Monique Moyer – Yes, it's calendared for the next meeting. From there, assuming the commission approves, we would move forward. We also have some other items to celebrate and you'll be hearing more about. On the new business from today's meeting, I have John Rahaim to return in the spring. He's already connected with me to say he'd be delighted to do that. We'll center in the right meeting, depending on progress made.

I have per Commissioner Brandon, periodic updates on sea level rise. We'll work with SF Adapt to figure out if that's quarterly or semi-annually. I suspect it will be one or the other off and on, depending on how things move forward. I have from all of you, the Waterfront Land Use Plan more integrated into the city's needs and more thoughtful about sea level rise, which we had already identified.

Commissioner Katz - And as a corollary to the outreach efforts too that we're doing.

Monique Moyer - I want to reiterate that the Waterfront Land Use Plan review is not the update. It was a review to make sure that we are all on an agreement of what the past looks like, so that we can start talking about the future. We did identify a number of these items, sea level rise most significantly, as something we need to talk about in the future. So, that's where we're headed. When we come back to you with the comments on the Land Use Plan review, it won't be an update. The updated work is still to come thereafter. For community outreach, we have a huge program for that that we'll be doing and will be hopefully, getting all of you to volunteer to be part of that as we've identified so many groups that we'd like to outreach to.

14. ADJOURNMENT

Commissioner Katz – Can I have a motion to adjourn the meeting in memory of the four individuals that have recently passed.

Monique Moyer - George Pasha III, Patrick Flanagan, Harry Kim and David Deasy.

ACTION: Commissioner Murphy moved approval; Commissioner Adams seconded the motion. All of the Commissioners were in favor.

Commission President Leslie Katz adjourned the meeting at 6:40 p.m.



GOVERNMENT
DOCUMENTS DEPT

AUG - 8 2014

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**NOTICE OF CHANGE OF LOCATION FOR THE
SEPTEMBER 23, 2014
PORT COMMISSION MEETING**

Notice is hereby given that the following Port Commission Meeting
will be held at the following location:

**TUESDAY, SEPTEMBER 23, 2014
2:00 P.M. CLOSED SESSION
3:15 P.M. OPEN SESSION**

**SOUTHEAST COMMUNITY FACILITY
1800 OAKDALE AVENUE, ALEX PITCHER JR., COMMUNITY ROOM
SAN FRANCISCO, CA 94124**

An agenda will be posted 72 hours before the meeting.

Accessible Meeting Information:

The closest BART Station is located at Glen Park. Accessible MUNI lines serving this location are the #23 Monterey, #24 Divisadero and #44 O'Shaunessey.

There is accessible parking available in the Southeast Community Facility parking lot and ample off-street parking on Oakdale and Phelps Street.

The Southeast Community Facility is a "SMOKE FREE" environment. Smoking is strictly prohibited in the building. Accessible integrated seating is available for persons with disabilities (including those using wheelchairs). A sign language interpreter and alternative format copies of meeting agendas and other materials can be provided upon request made at least 72 hours in advance of any scheduled meeting. Contact Wendy Proctor, Port's ADA Coordinator, at 274-0592, the Port's TTY number is (415) 274-0587.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City to accommodate these individuals.

Know Your Rights Under the Sunshine Ordinance:

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Sections 67.1 et seq. of the San Francisco Administrative Code) or to report a violation of the ordinance, contact Chris Ruston by mail: Sunshine Ordinance Task Force, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco CA 94102-4689; by phone at (415) 554-7724; by fax at (415) 554-7854 or by email at sotf@sfgov.org. Citizens interested in obtaining a free copy of the Sunshine Ordinance can request a copy from Mr. Ruston or by printing Sections 67.1 et seq. of the San Francisco Administrative Code on the Internet, at <http://www.sfgov.org/sunshine>.

NOTICES

Prohibition of Ringing of Sound Producing Devices:

The ringing of and use of cell phones, pagers, and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing or use of a cell phone, pager, or other similar sound-producing electronic device.

Lobbyist Registration and Reporting Requirements:

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance (SF Campaign & Government Conduct Code Sections §2.100 – 2.160) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the San Francisco Ethics Commission at 30 Van Ness, Suite 3900, San Francisco, CA 94102, phone (415) 581-2300 or fax (415) 581-2317; web site: www.sfgov.org/ethics.

SAN FRANCISCO PORT COMMISSION

Leslie Katz, President
Willie Adams, Vice President
Kimberly Brandon, Commissioner
Mel Murphy, Commissioner
Doreen Woo Ho, Commissioner

Monique Moyer, Executive Director Amy Quesada, Commission Secretary
Phone: 415-274-0400; Fax 415-274-0412 Phone: 415-274-0406; Fax 415-274-0412

SPECIAL MEETING AGENDA **TUESDAY, SEPTEMBER 23, 2014** **3:15 P.M. OPEN SESSION**

SOUTHEAST COMMUNITY FACILITY
1800 OAKDALE AVENUE, ALEX PITCHER JR., COMMUNITY ROOM
SAN FRANCISCO, CA 94124

The Port Commission Agenda as well as Staff Reports/Explanatory Documents available to the public and provided to the Port Commission are posted on the Port's Website at www.sfport.com. The agenda packet is also available at the Pier 1 Reception Desk. If any materials related to an item on this agenda have been distributed to the Port Commission after distribution of the agenda packet, those materials are available for public inspection at the Port Commission Secretary's Office located at Pier 1 during normal office hours.

1. CALL TO ORDER / ROLL CALL

2. APPROVAL OF MINUTES – September 9, 2014

GOVERNMENT
DOCUMENTS DEPT

3. PLEDGE OF ALLEGIANCE

SEP 19 2014

4. ANNOUNCEMENTS

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- A. Announcement of Prohibition of Sound Producing Electronic Devices during the Meeting: Please be advised that the ringing of and use of cell phones, pagers and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing of or use of a cell phone, pager, or other similar sound-producing electronic device.
- B. Announcement of Time Allotment for Public Comments: Please be advised that a member of the public has up to three minutes to make pertinent public comments on each agenda item unless the Port Commission adopts a shorter period on any item.

5. PUBLIC COMMENT ON ITEMS NOT LISTED ON THE AGENDA

Public comment is permitted on any matter within Port jurisdiction and is not limited to agenda items. Public comment on non-agenda items may be raised during Public Comment Period. A member of the public has up to three minutes to make pertinent public comments. Please fill out a speaker card and hand it to the Commission Secretary. If you have any question regarding the agenda, please contact the Commission Secretary at 274-0406. No Commission action can be taken on any matter raised during the public comment period for items not listed on the agenda other than to schedule the matter for a future agenda, refer the matter to staff for investigation or respond briefly to statements made or questions posed by members of the public. (Government Code Section 54954.2(a))

6. EXECUTIVE

- A. Executive Director's Report
 - San Francisco Fleet Week – October 6-12, 2014
- B. Commissioners' Report
- C. Resolution declaring that a bronze plaque honoring Dr. Mimi Silbert, Co-Founder, President & CEO of the Delancey Street Foundation, is installed at the Brannan Street Wharf and that a pathway at the entrance of the park is named in her honor. (Resolution No. 14-52)
- D. Informational presentation on business opportunities at the Port of San Francisco.

7. MARITIME

- A. Informational Presentation on Piers 80-96 Maritime and Eco-Industrial Improvement Plan.

8. PLANNING AND DEVELOPMENT

- A. Informational Presentation on the status of the Port's Blue Greenway Projects.
- B. Informational Presentation on City and County of San Francisco Civil Grand Jury 2013-2014 report *Port of San Francisco Caught between Public Trust and Private Dollars* and Port response thereto.

9. NEW BUSINESS

10. ADJOURNMENT

**FORWARD CALENDAR
(TARGETED COMMISSION MEETING, SUBJECT TO CHANGE)**

OCTOBER 14, 2014

	FACILITY/POLICY	ITEM	TITLE
1	Portwide	Informational	Presentation by City Controller on Best Practices for Public Works Contracts
2	Pier 38	Informational	Presentation on Pier 38 Bulkhead Building Rehabilitation Project with TMG Pier 38 Partners, LLC, located at Delancey Street and the Embarcadero.
3	Seawall Lot 324	Informational	Presentation Regarding a Prospective Sole Source Commercial Lease between the Port of San Francisco and Teatro Zinzanni for Premise at SWL 324
4	Portwide	Informational	Presentation on the Port's Year-End Report on Contracting Activity for the Fiscal Year 2013-14 (July 1, 2013 through June 30, 2014)
5	Portwide	Action	Authorization to enter into a contract for Emergency Operations Training
6	Portwide	Action	Approval for Port Deputy Director of Maritime to represent the Port of San Francisco as a Voting Delegate at the American Association of Port Authorities Annual Convention in Houston, Texas on November 13, 2014

OCTOBER 28, 2014

	FACILITY/POLICY	ITEM	TITLE
1	Pier 33½	Informational	Approval of staff recommendations to award the RFP for retail opportunity at Pier 33½ to most qualified bidder and to direct staff to negotiate a lease
2	Portwide	Informational	Presentation on Finger Pier Exiting Code Analysis/Model Guidelines
3	Portwide	Action	Authorization to enter into an Architectural/Engineering Services Contract for the Completion of an Assessment of the Port's Seawall
4	Portwide	Action	Authorization to Accept and Expend grant from the California Department of Boating & Waterways Vessel Turn-In Program to allow for removal, storage and disposal of eligible surrendered and abandoned vessels within the Port of San Francisco

NOVEMBER 18, 2014 – SPECIAL MEETING

	FACILITY/POLICY	ITEM	TITLE
1	Portwide	Informational	Presentation on Water Taxi Operations at the Port
2	Pier 96	Action	Authorization to advertise and issue a Request for Proposals (RFP) soliciting a developer and operator for a Bulk Export Maritime Terminal Operation at Pier 96
3	Pier 29	Action	Approval to issue a Request for Proposals (RFP) for a Retail Leasing Opportunity at the Pier 29 Bulkhead Building, located at Chestnut Street and The Embarcadero.
4	Pier 94/96, Pier 48/50 Marginal Pier, and SWL 318 Round House Building	Action	Authorization to award Construction Contract No. 2769, Port Security Fences, Phase IV
5	Portwide	Action	Request authorization to issue an informal bid for a Financial Advisor Contract
6	Portwide	Action	Authorization to enter into a contract for Youth Employment Services

DECEMBER 16, 2014

	FACILITY/POLICY	ITEM	TITLE
1	Pier 80	Informational	Presentation on Cargo Marketing Plan for Pier 80 in conjunction with Metro Ports and the International Longshore and Warehouse Union
2	Pier 33½	Action	Approval of Lease for Retail Location at Pier 33½

DATE TO BE DETERMINED

	FACILITY/POLICY	ITEM	TITLE
1	SWL 337	Informational	Presentation regarding a special event in excess of 90-days at Port property at Seawall Lot 337, including a review of the special event's proforma, pursuant to Lease No. L-14980 between Port and China Basin Ballpark Company, LLC.
2	Piers 30-32	Informational	Presentation of alternatives for reuse of Piers 30-32
3	Portwide	Informational	Presentation on quality of Port's office space

			portfolio & required improvements
4	Portwide	Informational	Presentation of Public Comments and Recommendations on the Waterfront Land Use Plan Review Report
5	South Beach	Action	Port Commission's consideration of agreements between the Port Commission and the Successor Agency to mutually terminate 13 ground leases in the South Beach project area and set business terms for the transfer of the South Beach Harbor Program
6	Pier 31	Action	Authorization to advertise for competitive bids for Construction Contract No. 2762, Pier 31 Building and Roof Repairs
7	Pier 70	Action	Authorization to advertise for competitive bids for Construction, Crane Cove Park Project Phase 1
8	Pier 94 and 96	Action	Authorization to advertise for competitive bids for Construction, Pier 94-96 Storm Drain and Outfall repairs
9	Loading Dock near Tulare Street	Action	Authorization to advertise for competitive bids for Construction, Copra Crane Refurbishment
10	3rd Street & Cargo Way Triangle and Cargo Way	Action	Authorization to advertise for competitive bids for Construction, Quint Street Lead Improvement Project
11	Pier 35	Action	Authorization to advertise for competitive bids for Construction, Pier 35 Substructure Repairs
12	Pier 29	Action	Approval to issue a Request for Proposals for new tenant(s) for Pier 29 bulkhead
13	Pier 49	Action	Authorization to advertise for competitive bids for Construction Contract No. 2772, Wharf J-1 (Pier 49) Under-Pier Sewer Replacement Project
14	Pier 31	Action	Authorization to award Construction Contract No. 2762, Pier 31 Building and Roof Repairs
15	Pier 49	Action	Authorization to award Construction Contract No. 2772, Wharf J-1 (Pier 49) Under-Pier Sewer Replacement Project
16	Daggett Street	Action	Approval of Memorandum of Understanding between the Port and the City's Real Estate Department authorizing the jurisdictional transfer of the Daggett Street Right-of-Way from the Port to the City for a transfer fee of \$1.6 Million

OCTOBER/NOVEMBER 2014
CALENDAR OF UPCOMING PORT MEETINGS – OPEN TO THE PUBLIC

DATE	TIME	GROUP	LOCATION
October 14	2:00 PM Closed Session	Port Commission	Port Commission Hearing Room at the Ferry Building
	3:15 PM Open Session	Port Commission	Port Commission Hearing Room at the Ferry Building
October 28	2:00 PM Closed Session	Port Commission	Port Commission Hearing Room at the Ferry Building
	3:15 PM Open Session	Port Commission	Port Commission Hearing Room at the Ferry Building
November 18	2:00 PM Closed Session	Port Commission	Port Commission Hearing Room at the Ferry Building
	3:15 PM Open Session	Port Commission	Port Commission Hearing Room at the Ferry Building

NOTES:

The San Francisco Port Commission meets regularly on the second and fourth Tuesday of the month at 3:15 p.m., unless otherwise noticed. The Commission Agenda and staff reports are posted on the Port's Website @ www.sfport.com. The Port Commission meetings can be viewed online at http://sanfrancisco.granicus.com/ViewPublisher.php?view_id=92. The Port Commission meetings are also broadcasted on the 2nd & 4th Thursday of the month at 9 p.m. on Comcast Cable Channel 26 or Astound Cable Channel 78 (formerly RCN Cable). Contact Amy Quesada at 274-0406 or amy.quesada@sfport.com

The Fisherman's Wharf Waterfront Advisory Group (FWWAG) meets regularly on a bi-monthly basis, on the third Tuesday of the month. The regular meeting time and place is 9:00 a.m. at Scoma's Restaurant, Pier 47 at Fisherman's Wharf. Contact Rip Malloy @ 274-0267 or rip.malloy@sfport.com

The Maritime Commerce Advisory Committee (MCAC) meets every other month, on the third Thursday of the month, from 11:30 a.m. to 1:00 p.m. @ Pier 1. Contact Jim Maloney @ 274-0519 or jim.maloney@sfport.com

The Mission Bay Citizens Advisory Committee meets on the second Thursday of the month at 5:00 p.m. in the Creek Room at Mission Creek Senior Building located at 225 Berry Street in San Francisco (along the Promenade just beyond the library.) Contact Catherine Reilly at the former Redevelopment Agency @ 749-2516 or catherine.reilly@sfgov.org

The Northeast Waterfront Advisory Group (NEWAG) meets regularly on a bi-monthly basis on the first Wednesday of the month from 5:00 p.m. to 7:00 p.m. in the Bayside Conference Room @ Pier 1. Contact Jonathan Stern @ 274-0545 or jonathan.stern@sfport.com

The Central Waterfront Advisory Group (CWAG) meets monthly on an as-needed basis, generally on the third Wednesday of the month from 5 to 7 p.m. in the Bayside Conference Room at Pier 1. Contact Mark Paez @ 705-8674 or mark.paez@sfport.com

The Southern Waterfront Advisory Committee (SWAC) meets every last Wednesday of the month from 6:15 to 8:15 p.m. Location to be determined. Contact David Beaupre @ 274-0539 or david.beaupre@sfport.com

The Waterfront Design Advisory Committee (WDAC) meets jointly with the Design Review Board of the Bay Conservation and Development Commission on the first Monday of the month at BCDC, 50 California Street, Rm. 2600, at 6:30 p.m. The Committee meets as needed on the fourth Monday of the month at 6:30 p.m. in the Bayside Conf. Rm. @ Pier 1. Contact Dan Hodapp @ 274-0625 or dan.hodapp@sfport.com

Accessible Meeting Information

The Southeast Community Facility is a "SMOKE FREE" environment. Smoking is strictly prohibited in the building. Accessible integrated seating is available for persons with disabilities (including those using wheelchairs).

The closest BART Station is located at Glen Park. Accessible MUNI lines serving this location are the #23 Monterey, #24 Divisadero and #44 O'Shaunessey.

There is accessible parking available in the Southeast Community Facility parking lot and ample off-street parking on Oakdale and Phelps Street.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City to accommodate these individuals.

Disability Accommodations:

To request assistive listening devices, sign language interpreters, readers, large print agendas or other accommodations, please contact Wendy Proctor, Port's ADA Coordinator at (415) 274-0592 or via email at wendy.proctor@sfpport.com or Amy Quesada, Commission Secretary, at (415) 274-0405 or via email at amy.quesada@sfpport.com at least 72 hours in advance of the hearing. The Port's TTY number is (415) 274-0587.

Language Assistance

311 Free language assistance / 免費語言協助 / Ayuda gratuita con el idioma / Бесплатная помощь переводчиков / Trợ giúp Thông dịch Miễn phí / Assistance linguistique gratuity / 無料の言語支援 / 무료 언어 지원 / ភ្នំពេញ "សំខាន់" ព័ត៌មាន / Librang tulong para sa wikang Tagalog

NOTICES

Know Your Rights Under the Sunshine Ordinance:

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Sections 67.1 et seq. of the San Francisco Administrative Code) or to report a violation of the ordinance, contact Chris Rustom by mail: Sunshine Ordinance Task Force, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco CA 94102-4689; by phone at (415) 554-7724; by fax at (415) 554-7854 or by email at sotf@sfgov.org. Citizens interested in obtaining a free copy of the Sunshine Ordinance can request a copy from Mr. Rustom or by printing Sections 67.1 et seq. of the San Francisco Administrative Code on the Internet, at <http://www.sfgov.org/sunshine>.

Prohibition of Ringing of Sound Producing Devices:

The ringing of and use of cell phones, pagers, and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing or use of a cell phone, pager, or other similar sound-producing electronic device.

Lobbyist Registration and Reporting Requirements:

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance (SF Campaign & Government Conduct Code Sections §2.100 – 2.160) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the San Francisco Ethics Commission at 30 Van Ness, Suite 3900, San Francisco, CA 94102, phone (415) 581-2300 or fax (415) 581-2317; web site: www.sfgov.org/ethics.

CEQA Appeal Rights under Chapter 31 of the San Francisco Administrative Code:

If the Commission approves an action identified by an exemption or negative declaration as the Approval Action (as defined in S.F. Administrative Code Chapter 31, as amended, Board of Supervisors Ordinance Number 161-13), then the CEQA decision prepared in support of that Approval Action is thereafter subject to appeal within the time frame specified in S.F. Administrative Code Section 31.16. Typically, an appeal must be filed within 30 calendar days of the Approval Action. For information on filing an appeal under Chapter 31, contact the Clerk of the Board of Supervisors at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102, or call (415) 554-5184. If the Department's Environmental Review Officer has deemed a project to be exempt from further environmental review, an exemption determination has been prepared and can be obtained on-line at <http://sf-planning.org/index.aspx?page=3447>. Under CEQA, in a later court challenge, a litigant may be limited to raising only those issues previously raised at a hearing on the project or in written correspondence delivered to the Board of Supervisors, Planning Commission, Planning Department or other City board, commission or department at, or prior to, such hearing, or as part of the appeal hearing process on the CEQA decision.



MEMORANDUM

September 19, 2014

TO: MEMBERS, PORT COMMISSION
Hon. Leslie Katz, President
Hon. Willie Adams, Vice President
Hon. Kimberly Brandon
Hon. Mel Murphy
Hon. Doreen Woo Ho

FROM: Monique Moyer *M Moyer*
Executive Director

SUBJECT: Resolution declaring that a bronze plaque honoring Dr. Mimi Silbert, Co-Founder, President & CEO of the Delancey Street Foundation is installed at the Brannan Street Wharf and that a pathway at the entrance of the park is named in her honor

DIRECTOR'S RECOMMENDATION: Approve Attached Resolution

At the suggestion of Port Commission President Leslie Katz, Port staff requests Port Commission authorization to install a bronze plaque at the Brannan Street Wharf in honor of Dr. Mimi Silbert, Co-Founder, President and Chief Executive Officer (CEO) of the Delancey Street Foundation. Port staff further recommends that a pathway at the entrance of Brannan Street Park on the Embarcadero Promenade be named in Dr. Silbert's honor.

BACKGROUND:

Dr. Mimi Silbert is the Co-Founder, President and CEO, of the Delancey Street Foundation, located on the San Francisco waterfront since 1971 and a Port tenant in good standing for 43 years.

The Delancey Street Foundation, often simply referred to as Delancey Street, is a nonprofit organization based in San Francisco that provides residential rehabilitation services and vocational training for substance abusers and convicted criminals. Delancey Street reintegrates its residents into mainstream society by operating various businesses - such as restaurants, catering and moving companies - all of which are wholly managed and run by the residents themselves. The Foundation's methods have been widely praised and have been emulated internationally.

THIS PRINT COVERS ITEM 6C

Delancey Street's home on the San Francisco waterfront, the Embarcadero Triangle, is the culmination of the Delancey creed of self-help. Dr. Silbert was the developer and Delancey its own contractor as they built the 360,000 square foot mixed-use development for their home. With union support, they trained over 300 formerly unemployable people in the building trades, and built a complex that holds up to 500 residents, and a vast array of retail, educational, and recreational facilities which Pulitzer Prize winning architectural critic Allan Temko called "a masterpiece of social design." The complex, which has won numerous awards, is the largest self-managed, self-built, self-help complex in the country. There, Delancey Street runs its national moving company, catering services, and a screening room considered one of the finest in San Francisco, the highly regarded Delancey Street Restaurant, and a bookstore-art gallery-coffeehouse called Crossroads Café, among 15 other ventures.

Although Dr. Silbert does not share the same background as her fellow residents, she lives at Delancey Street and abides by its rules. Her tenacious spirit and unlimited energy have built an organization unique in its entrepreneurial and self-governing structure. Her dedication in enacting her vision of an educational community of change has inspired residents to break their destructive cycles and take responsibility for themselves and others. Dr. Silbert has garnered national and international attention for her achievement at Delancey Street, demonstrating her belief that the people who are the problem can, themselves, become the solution.

HONORING DR. SILBERT

In addition to significantly assisting substance abusers, ex-convicts, homeless and others who have hit bottom, Dr. Silbert also devoted her energy to benefiting the Port and its waterfront in a unique and lasting manner. Dr. Silbert was among the first to venture into a forgotten sector of the waterfront then characterized by dilapidated and underused buildings, bringing with her major investment in the Port's Seawall Lots 331 and 332 located between Brannan and Townsend Streets, as well as economic vitality to the area which had once been a beehive of shipping activity. As she did with the Delancey Street clients, Dr. Silbert also gambled on the Port's central waterfront when no one else would, becoming the catalyst for what we know today as South Beach. She brought with her a sense of community that grows and blossoms larger with each passing year.

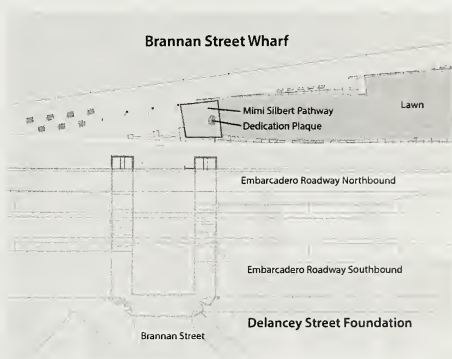
Dr. Silbert was an original member of the Redevelopment Agency's South Beach/Rincon Community Advisory Committee (CAC), serving for over 30 years. She was also a member of the Port's Bryant Street Pier Advisory Group during the Port's pursuit of a new cruise terminal complex at Piers 30-32 with developer Lend Lease Inc. As such, Dr. Silbert was instrumental in the Port's development of a vision for the Brannan Street Wharf public open space serving as a CAC member and expert on South Beach neighborhood issues. Many of Brannan Street Wharf's attributes that are most loved by the public came out of suggestions from Dr. Silbert.

DEVELOPMENT AND MAINTENANCE OF THE PLAQUE

As a tribute to the outstanding work and accomplishments of Dr. Mimi Silbert, the Port of San Francisco proposes to install a permanent bronze plaque and name a pathway in her honor at the Brannan Street Wharf, located across the street from the Delancey Street Foundation on The Embarcadero Promenade between Piers 30-32 and Pier 38.

The Brannan Street Wharf has a plaza space nearby to the Delancey Street Foundation that would be an appropriate location for recognition as a pathway acknowledging Dr. Mimi Silbert, and a bronze plaque could be installed within this area explaining the work of Dr. Mimi Silbert and her singular contribution to the Port.

If approved by the Port Commission, staff will design and install the "18" by 24" inch bronze plaque for "Dr. Mimi Silbert" to be located at the entrance to the lawn at Brannan Street Wharf. The proposed location is north of the lawn looking south at the plaque embedded in the pavement, and at the lawn. The cost for production of the bronze plaque is approximately \$5,000. The plaque will be maintained as part of the Port's general maintenance of the Brannan Street Wharf.



Location map of Delancey Street Foundation and Brannan Street Wharf

If approved by the Port Commission, the proposed copy on the plaque will read:

"In honor of Dr. Mimi Silbert for her vision and leadership of the Delancey Street Foundation where pathways to recovery have saved lives and transformed the justice movement, and for being a pioneer of the South Beach neighborhood by developing Delancey Street at a time when it was a forgotten sector of the waterfront."

San Francisco Port Commission –September 23, 2014

RECOMMENDATION

Port staff recommends that the Port Commission approve recognition of the significant work of Dr. Mimi Silbert on behalf of disadvantaged individuals and on behalf of the Port and its waterfront. Port staff further recommends that such recognition be memorialized in a plaque placed at the Brannan Street Wharf and that the entrance to the Brannan Street Wharf be named in honor of Dr. Mimi Silbert.

Prepared by: Renée Dunn Martin, Public Relations Manager
and
Dan Hodapp, Senior Waterfront Planner

**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

RESOLUTION NO. 14-52

- WHEREAS, Dr. Mimi Silbert is the Co-Founder, President and Chief Executive Officer, of the Delancey Street Foundation; and
- WHEREAS, Dr. Mimi Silbert directed the Delancey Street Foundation's construction of the 360,000 square foot mixed-use development for its offices and programs on a forgotten portion of Port property known as Seawall Lots 331 and 332, located on the Embarcadero between Brannan and Townsend Streets where the Delancey Street Foundation has been a tenant in good standing since 1971; and
- WHEREAS, Dr. Mimi Silbert through the Delancey Street Foundation has empowered thousands of people to lead drug-free, crime-free lives in mainstream society and that this successful rehabilitation program has been imitated in New York, New Mexico, North Carolina, and Los Angeles; and
- WHEREAS, Dr. Mimi Silbert played a vital role in shaping the Port's South Beach waterfront through (i) her willingness to develop the Delancey Street Foundation's home in an area then characterized by dilapidated and underused buildings bringing community, hope and an economic stimulus to the neighborhood, (ii) her participation in numerous advisory committees that advised the Port on maritime and land use issues extending over a 30-year period, and (iii) always working for the those in need; and
- WHEREAS, the plaza at Brannan Street Wharf located directly across The Embarcadero from the Delancey Street Foundation would be an appropriate location for a pathway and a bronze plaque honoring Dr. Mimi Silbert and explaining her work through the Delancey Street Foundation and her contributions to the Port; now, therefore be it
- RESOLVED, that the San Francisco Port Commission designates a portion of a plaza space at the Brannan Street Wharf as the "Dr. Mimi Silbert Pathway," and directs staff to install a bronze plaque within the pathway explaining Dr. Mimi Silbert's accomplishments as described in the staff memorandum accompanying this resolution.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of September 23, 2014.

Secretary



MEMORANDUM

September 19, 2014

TO: MEMBERS, PORT COMMISSION
Hon. Leslie Katz, President
Hon. Willie Adams, Vice President
Hon. Kimberly Brandon
Hon. Mel Murphy
Hon. Doreen Woo Ho

FROM: Monique Moyer *MMoyer*
Executive Director

SUBJECT: Informational presentation on business opportunities at the Port of San Francisco

PURPOSE

The purpose of this presentation is to provide the community with information about doing business with the Port of San Francisco, and to receive feedback from the community and ideas to help with establishing more channels of communication for timely alerts about upcoming business opportunities.

Background

The Port is the center of a variety of different business opportunities, from cruises and other maritime, construction and facility maintenance, to entertainment, retail, and restaurants. These opportunities are awarded to companies through a Request for Proposal (RFP) process or competitive bid process. The Port looks forward to partnering with companies to provide our community with the very best in amenities and services.

Port of San Francisco's Policy for Non-Discrimination

The Port Commission's policy is to ensure nondiscrimination on the basis of race, color, sex, sexual orientation or national origin in the award and administration of all contracts and leases, and to create a level playing field on which small businesses, including Local Business Enterprises (LBE), can compete fairly for construction, procurement, and professional service contracts.

THIS PRINT COVERS ITEM NO. 6D

Outreach

The Port conducts extensive outreach to get the word out about business opportunities through:

- Contract Monitoring Division list of contractors
- Port Internet (www.sfport.com)
- Office of Contract Administration Internet Site (<http://sfgsa.org/index.aspx?page=359>)
- San Francisco Public Library
- Plan Rooms (Builders Exchange, Contractors Information Network, etc.) 18 total
- Chambers of Commerce:
 - Hispanic Chamber of Commerce
 - San Francisco African American Chamber of Commerce
 - Chinese Chamber of Commerce
- San Francisco Chronicle (or Examiner)
- Community Newspapers:
 - Bay Area Reporter
 - Central City Extra
 - El Mensajero
 - EL Reportero
 - Marina Times/Northside Publications
 - Potrero View
 - San Francisco Bayview
 - Sing Tao Daily
 - Small Business Exchange
 - The Western Edition
 - World Journal
- SFPUC Contractor Assistance Center

Previous Meetings

At the request of Port Commissioner Adams and Commissioner Brandon, the Port held an introductory meeting with representatives from the San Francisco Chamber of Commerce, Hispanic Chamber of Commerce, and San Francisco African American Chamber of Commerce on October 29, 2013.

On March 15, 2014, the Port held its first San Francisco Chamber of Commerce Business Exchange. The purpose of the exchange was to help the Port Commission and staff get a better understanding of how we can do better outreach about the Port's leasing and contracting opportunities to local, small and minority businesses.

There were attendees from the African American Chamber, the Hispanic Chamber, the Golden Gate Business Association, which is the LGBT group, the San Francisco Chamber of Commerce and the Small Business Exchange. We also invited the Asian, Hawaiian and Filipino chambers but unfortunately, they were unable to attend.

Representatives from the contract monitoring division and the San Francisco Human Services Agency also attended the exchange. Representatives from the Port and the contract management division gave an overview of the local business enterprise program and the city's business development initiative. It was a successful exchange and everyone learned a lot about how to do business with the Port and the City.

As Commissioner Adams aptly summarized, the Commissioners have an obligation to make sure every citizen in this City has a fair and equitable chance to get some of these contracts and participate.

Upcoming Business Opportunities at the Port

At Port Commissioner Adams' request and with the Port Commission's concurrence, this meeting is being held in the Southeast Community Facility to give the community an opportunity to attend the meeting and provide feedback as well as give the Port an opportunity to present upcoming professional services and contracting opportunities at the Port of San Francisco.

The following tables summarize professional services and construction projects that the Port is currently planning to seek contracts for work in the coming months. The date for requests for proposals (RFP) and bids and the contract amounts are just estimates based upon current budgets and project timelines and are subject to change.

PROFESSIONAL SERVICES				
Service Description	Work Scope	Estimated Amount	Estimated Achievement Date	Estimated Start Date
Emergency Preparedness Training Services	Plan and implement an emergency preparedness training program consisting of monthly position-based trainings and meetings culminating in an "All-Hazards" exercise in May 2015	\$249,000	Sept. 5, 2014	Dec. 2014
Youth Employment	Provide economically disadvantaged and/or at-risk San Francisco youth ages 16-24 with paid work experience to help maintain the Port's property	\$265,000 per year for up to 4 years	Late Sept. 2014	Jan. 2015

UPCOMING CONTRACT OPPORTUNITIES: CONSTRUCTION

Contracts	Estimated Value	Anticipated Advertisement
Contract 2758R, Bayview Gateway Park Project	Awarded - \$3,667,925	Advertised June 2014
Pier 31 Building & Roof Repairs	\$5,000,000	January 2015
Pier 94-96 Storm Drain and Outfall Repairs	\$500,000	July 2015
Contract 2765, Pier 35 Building & Roof Repair Project	Awarded \$2,041,000	Advertised May 2014
Quint Street Lead Improvement Project	\$2,000,000	April 2015
Copra Crane Refurbishment	\$610,000	January 2015
Crane Cove Park Project Phase	\$15,000,000	October 2015
Port Security Fence Phase 4	\$660,000	October 2014
Pier 35 Substructure Repairs Project	\$3,000,000 - \$9,000,000	June 2015
Port Modular Restroom Project	\$800,000	August 2015
Beltline Restroom Project	\$300,000	November 2014
Wharf J1 Plumbing Improvements	\$1,400,000	January 2015

For further information about upcoming projects, please visit the Port's website at <http://www.sfport.com/index.aspx?page=18>

The Port looks forward to a productive meeting and collaboration with the community.

Prepared by: Amy Quesada, Commission Secretary
Tim Leung, Administrative Engineer
Elaine Forbes, Chief Financial Officer

For: Monique Moyer, Executive Director



MEMORANDUM

September 19, 2014

TO: MEMBERS, PORT COMMISSION
Hon. Leslie Katz, President
Hon. Willie Adams, Vice President
Hon. Kimberly Brandon
Hon. Mel Murphy
Hon. Doreen Woo Ho

FROM: Monique Moyer
Executive Director

SUBJECT: Informational Presentation on Piers 80-96 Maritime and Eco-Industrial Tenants and Opportunities

DIRECTOR'S RECOMMENDATION: Informational Presentation; No Action Required

Executive Summary

On August 12, 2014 Port staff published a draft Waterfront Land Use Plan Review, 1997-2014¹ (Waterfront Plan Review) and delivered a companion presentation to the Port Commission. Chapter 3 of the Waterfront Plan Review provides an overview of major changes affecting the Port's Southern Waterfront, which extends from Mariposa Street to India Basin in Bayview Hunters Point. For project planning purposes, the Southern Waterfront is divided into two distinct areas: 1) Pier 70 and Warm Water Cove and 2) the Western Pacific Property, Pier 80 and Piers 90-96. The area including the Western Pacific Property, Pier 80 and Piers 90-96 is the focus of this staff report.

This report provides a brief overview of Port planning efforts in this part of the Southern Waterfront, an overview of the existing uses which are illustrated in Map 1, and a number of proposed leasing and maritime development proposals. These proposals include:

- A new iron ore terminal proposal for Pier 96;
- New shipping opportunities for Pier 80;
- An asphalt and non-structural concrete batch plant on Seawall Lot 352; and
- Site preparation (grading, paving, streets, utilities and landscaping improvements) to the Piers 94-96 Backlands to facilitate industrial leasing.

THIS PRINT COVERS CALENDAR ITEM NO. 7A

¹ A copy of the Waterfront Plan Review is available at <http://sfport.com/index.aspx?page=2491>. Port staff is accepting public comment on the Waterfront Plan Review through November 30, 2014.

The purpose of this report is to seek further direction from the Port Commission on these proposals and feedback from the public.

Prior Planning Efforts

Since the adoption of the Waterfront Plan in 1997, Port staff has engaged in comprehensive planning for the Southern Waterfront, an area which includes the Western Pacific Site, Pier 80 and Piers 90-96. In 2001, Port staff coordinated with the San Francisco Planning Department to complete certification of the Southern Waterfront Final Supplemental Environmental Impact Report ("SEIR"). The SEIR analyzed the effects of the Illinois Street Intermodal Bridge to preserve and improve freight rail access, updates in bulk cargo shipping and operation of construction materials businesses, such as concrete batch plants. The SEIR set a mitigation and environmental framework to incorporate environmental protections, including natural stormwater management to improve Bay water quality, and wetlands restoration that also assists with stormwater filtering and provides wildlife habitat enhancement. These mitigation measures, along with dust and vehicle emission reduction measures, have enabled sustained economic activity in the area.

From 2001 through 2007, Port staff worked with the Southern Waterfront Advisory Committee ("SWAC"), the Maritime Commerce Advisory Committee ("MCAC"), local neighborhood groups and advisory groups to the former Redevelopment Agency to pursue Southern Waterfront maritime industrial planning. The City's remaining heavy industrial maritime operations are located in southeast San Francisco. Port staff outlined a strategy for cargo shipping, freight rail improvement, and the "Piers 90-94 Backlands" upland of the terminals to promote eco-industrial development. Piers 92 and 94-96 were targeted for bulk cargo import of aggregate and sand. This allowed upland concrete plants and construction businesses to locate close to source materials, reducing industrial truck volumes, and preserving the remaining industrial uses and jobs in San Francisco. Additionally, the mix of industrial operations allows tenants to share resources; in many instances, one tenant's waste is a source material for another tenant. In addition, the use program incorporates natural stormwater management systems, wetlands restoration, and public access amenities to improve environmental quality and neighborhood character.

While those maritime and industrial use opportunities were identified, the Piers 90-94 Backlands planning study also identified challenges for improvement of undeveloped areas in the study area. The planning work included detailed economic feasibility analysis of new warehouse construction in the undeveloped Backlands for cargo and industrial uses. The analysis determined that such construction was not feasible because the site's unengineered fill would require pile-supported foundations that are generally cost-prohibitive for warehouse-based uses.

In 2006, the City formed a Blue Greenway Task Force to establish a vision for the Blue Greenway to improve and expand the City's public open space network through the City's industrial districts in Southeast San Francisco. In 2008 the Port led a two and half year public planning process to identify existing and new shoreline open spaces, park

connections, and access for water recreation activities. The project required broad interagency and stakeholder participation, including Department of Public Works, San Francisco Parks and Recreation, San Francisco Municipal Transportation Agency, Office of Community Investment and Infrastructure, San Francisco Arts Commission, Planning Department, ABAG Bay Trail, California State Parks, San Francisco Bay Conservation and Development Commission, San Francisco Parks Alliance, Bay Access, and a variety of neighborhood groups.

The resulting Blue Greenway Planning and Design Guidelines (Blue Greenway Guidelines) identify park locations, street improvements, design and program standards, a way-finding, signage and public art program, and funding allocation for Blue Greenway park projects at the Port of San Francisco. The Blue Greenway Guidelines reflect a public consensus of how to create new public access to the shore, from land and water that reinforces the San Francisco Bay and Water Trails, and compatibly co-exists with the City's remaining industrial businesses and land uses.

In 2008, Port staff returned to the Port Commission to present the approach for the underutilized and or vacant property in the Southern Waterfront². In consultation with area stakeholders, Port staff recommended uses and leasing criteria for these areas. In addition, Port staff proposed Gateway/Entry Sites to the Bayview for beautification or to serve as economic generators. The Bayview Gateway site, located at Third Street and Cargo Way, was designed as the Art gateway, and will undergo a transformation starting this October from an asphalt lot to a passive open space with permanent and temporary public art locations.

Based on these planning efforts and ongoing Port staff consultation with SWAC and MCAC, there is strong advisory group support to continue Port implementation efforts of these prior planning efforts. Implementation will require initiating environmental review of proposed leasing and maritime development opportunities because surrounding land use and traffic conditions have changed. This new environmental review effort will enable the public to participate in additional Southern Waterfront planning.

² A copy of the 2008 staff report can be found at:
<http://sfport.com/ftp/uploadedfiles/meetings/supporting/2008/Item%2011b%20Southern%20Waterfront%20Leasing%20and%20Planning%20Update.pdf>.

Map 1 PIERS 80-96 Maritime and Eco-Industry



Area Overview

The Piers 80-96 maritime and eco-industrial uses encompass the Port's marine cargo terminals, upland industrial uses and natural and open space areas. This area is roughly bounded by Illinois Street, Cargo Way, Twenty Sixth Street, Heron's Head Park (also known as Pier 98), and the Bay. The Port has two modern deep-water cargo terminals located at Piers 80 and 94-96 that can accommodate container and non-container cargo, though the Port has discontinued regular container service at these

facilities. In addition to these two terminals, Pier 92 on Islais Creek operates as a liquid bulk export facility³ and a bulk import facility.

Metro Ports has operated and co-marketed Pier 80 with the Port since 2008. The facility has continued to handle break bulk and project cargoes and has provided berths for short- and long-term vessel lay berthing. The terminal has also hosted the Oracle Team USA racing headquarters and other America's Cup race support vessels and equipment. Cargoes handled at Pier 80 in recent years include steel products such as coils, pipe, tube, plate, rebar, h-beams and structural steel; project cargoes including tunnel boring machines, auto assembly equipment, windmill parts, electricity-producing turbines and equipment, and reels of electrical cable; boats and yachts; lumber; newsprint; and containerized cargo. In preparation for the America's Cup World Series races in San Francisco in 2012, Pier 80 received a 123-car freight train (in four separate cuts) from Newport, Rhode Island of containerized boats, yachts and equipment for the competing teams.

The Port has been fostering maritime eco-industrial uses at Piers 92-96 and the Backlands by co-locating and attracting tenants that are consistent with the concept and compatible or synergistic with the area's surrounding uses. The concept of a maritime eco-industrial complex consists of co-locating industrial uses to enable product exchange, optimize resources, incorporate green design and green technologies on site, foster resource recovery, employ local residents and reduce industrial environmental impacts.

For example, Hanson Aggregates imports sand and aggregate by vessel at Pier 94, which is then used by Central Concrete and Cemex at Pier 92 to produce concrete. Both Central Concrete and Cemex use harvested rain water on site in their concrete production, and manage excess storm water run-off through landscape swales. Central Concrete also uses recycled aggregates and sand produced by Sustainable Crushing to produce non-structural concrete which can be used to build sidewalks, curbs and gutters. Darling International renders tallow from recycled area restaurant grease and animal fats for shipment to Asian and North American markets, and has the option to expand their facility to convert similar feedstock into biodiesel. Recology's Recycle Central at Pier 96 sorts, consolidates, and packages the City's recyclable blue bin and downtown office materials for transshipment to domestic and international recyclers. San Francisco Bay Railroad, which operates the Intermodal Cargo Transfer Facility (ICTF) adjacent to the Backlands, is a short-line railroad that moves contaminated waste from City development sites to landfills in Utah and Idaho and is the U.S.'s first railroad to operate its locomotives exclusively on a biodiesel blend. Building Resources, also located at the Backlands, sells used building materials and also recycles many products, including glass, on site for local reuse.

³ The SF Bay Conservation and Development Commission and Metropolitan Transportation Commission Seaport Plan designate the Pier 80 and Piers 94-96 Cargo Terminals as active container terminals, and Pier 92 as an active liquid bulk terminal. Port staff intends to work with BCDC to modify the Seaport Plan designations for the Pier 80 and Piers 94-96 Cargo Terminals to make them consistent with current and planned use.

Pier 96 has been utilized for a variety of interim uses including vessel lay berthing, dredge spoils drying, recycled construction material export, marine demolition debris removal and the San Francisco Police Department high-speed drivers training course area. These terminals are the remaining maritime facilities in San Francisco served by on-dock freight rail access, serviced by the ICTF operated by Port tenant San Francisco Bay Railroad which interchanges with Union Pacific Railroad and enables trains to be switched and assembled within the Port itself.

The maritime industrial leases occupy approximately 65% of the Piers 92-96 facility, leaving approximately 40 acres of land area for new leasing and site improvement. Table 1 below summarizes the current leasing activity in the area.

Tenant Name	Use	Square Feet	Employees	Annual Revenues⁴	Location
Metro Ports	Marine Cargo Facility	2,048,822	2	\$76,168 Net Port Revenue	Pier 80
Central Concrete (formerly Bode Gravel Company)	Concrete Batch	239,097	140	\$805,827	Pier 92, Seawall Lot 344
CEMEX Construction Materials Pacific	Concrete Batch	151,700	160	\$984,326	Pier 92
Darling International	Rendering	194,846	57	\$514,243	Seawall Lot 344
Hanson Aggregates	Marine Dry Bulk Terminal	581,770	7	\$1,815,569	Pier 94, Seawall Lot 352
Recology/Sustainable Crushing	Concrete Recycling	467,691	10	\$595,680	Seawall Lot 344
San Francisco Bay Railroad & Waste Solutions Group	Marine Rail Yard	431,416	12	\$206,598	ICTF

⁴ Includes actual base rent and maritime user fees such as wharfage, dockage, storage and related fees.

Tenant Name	Use	Square Feet	Employees	Annual Revenues ⁵	Location
Recology/Recycle Central	Recycling Plant	396,907	200	\$2,093,201	Pier 96
Aardvark Storage	Self-Storage	274,163	2	\$756,690	Seawall Lot 344
Building Resources	Building Material Recycling	27,751	9	\$133,908	Cargo Way & Amador Street
PAE Applied Technologies	Maritime	161,040	3	\$357,904	Pier 80
Affordable Self Storage	Self-Storage	75,809	8	\$176,318	Western Pacific Site
California Sealift Terminals	Maritime	78,450	12	\$156,950	Pier 96
Zaccor Companies	Marine Construction	41,659	7	\$149,100	Pier 96
Total			629	\$8,688,573	

Proposed New Uses & Activity

Bulk Export Cargo Initiative – Pier 96

Port staff has been developing plans to repurpose the former container cargo terminal at Pier 96 into a bulk cargo export facility. The new cargo opportunities would revitalize the underutilized cargo terminal to generate new revenues to the Port and create living-wage jobs.

The Port has been approached by iron ore mining companies, who are developing mine projects in Nevada and Utah, to develop a cargo terminal to facilitate the export of their product to China and other Asia markets for the production of steel. A Pier 96 facility is attractive to these companies due to availability of a deep 40-foot berth to accommodate the heavy ore, the direct rail connection, and the available land to build the facility and expand the rail infrastructure to serve the iron ore trains. Iron ore would

⁵ Includes actual base rent and maritime user fees such as wharfage, dockage, storage and maritime deficiency fees

be transported to the Port by train via Union Pacific Railroad (UPRR), who would be a key partner in the Port's ability to develop the bulk export business.

Bulk Cargo-Related Rail Improvements

The Pier 96 bulk export terminal facility would be supported by an expansion of the Port rail infrastructure, including additional storage track within the Intermodal Cargo Transfer Facility and new freight tracks on Piers 94 and 96 to support efficient freight cargo operations. The expanded rail yard will also support the following activities:

- continued loading and storage of freight rail cars for Waste Solutions Group;
- continued receiving/exporting of Darling International tank cars; and
- delivery of other rail-served freight to and from Port tenants and maritime cargo facilities.

Pier 96 Bulk Export Facility Details

A Pier 96 facility would involve designing and building a traditional bulk export facility as illustrated in Exhibit 1 that incorporates a) a railcar unloading and covered conveyance system; b) a covered storage shed to keep product dry and mitigate against fugitive dust; c) a covered ship loading conveyance system; and d) a loop track that allows for trains to efficiently move onto the pier for unloading then back to the rail yard for storage.

Cargo vessels would be loaded to approximately 60,000 tons, each requiring 6-7 trains to load. The terminal would initially load one ship every two weeks and eventually load one per week. Initial annual tonnage is projected to be 1.25 million metric tons, eventually growing to 2.5 - 3.0 million metric tons.

Port staff estimates that annual Port revenues from this bulk export operation would range from \$2.7 million based on a volume of 1.25 million metric tons of iron ore, to an estimated \$5.5 million when the facility handles 2.5 million metric tons annually. The facility is projected to create an estimated 40 construction jobs and 12-15 permanent jobs.

The Port has retained an engineering firm to work in conjunction with the San Francisco Department of Public Works to complete a detailed geotechnical analysis of the Pier 96 and rail yard sites and complete a design of the bulk export facility based on their findings. Their design will include confirming the viability of the Port's loop-track rail design and will incorporate a design of the railcar unloading facility, covered storage shed with guidance on iron ore stockpile dimensions, and conveyance systems for conveying the material from the railcar unloading pit to the storage shed and from the storage shed to the ship. Port staff intends to use this design to draft a Request for Proposals that would be issued in early 2015 (pending Port Commission approval) to identify a private partner to build and operate the facility.

UPRR has advised staff that it would require the Port to build up its rail infrastructure to allow for storage of full and empty "unit" trains and for efficient operation for offloading the trains when they arrive at the Port. The Port's rail infrastructure improvement project noted above should satisfy these requirements and Port staff is awaiting UPRR consent to this plan. UPRR would also require that the Quint Street Lead, which is the spur track serving the Port from the Caltrain main line, be repaired and upgraded as a condition for transporting bulk products to the Port. This upgrade project is now in the process of being completed by the Port utilizing a \$3 million Federal Railroad Administration grant approved by the Port Commission through Commission Resolution 13-40.

Additional Cargo Opportunities at Pier 80

Autos and Related Cargoes

In addition to the current business and rail-served initiatives described above, the Port is pursuing other cargo opportunities at Pier 80. Port staff is pursuing the import and export of automobiles that would involve trucking the vehicles to and from the Port rather than utilizing railcars (tunnels on the Caltrain mainline are currently too low to allow auto railcars to transit). Auto production in Mexico is increasing rapidly and nearly half of their production is exported to the U.S. Most of the major global auto manufacturers have production plants in Mexico or have announced plans to open them. Port staff believes there is an excellent opportunity for Pier 80 to handle the Northern California distribution of these Mexican vehicle imports. Staff is also targeting the export of locally-produced automobiles to the Asia market, Northern California distribution of Asian-produced automobiles and transport of vehicles to and from Hawaii.

Auto carriers handle other products in addition to automobiles such as heavy construction and mining machinery and project cargo so there could be opportunity for bringing these products across Pier 80 as well. Staff has been in contact with original equipment manufacturers (OEMs), ocean carriers, auto processors and terminal operators to pursue these opportunities and discussions are ongoing.

Containerized Bulk Export – Pier 80

Port staff believes that an additional market opportunity exists to move bulk product, particularly copper concentrate, to the Port in containers utilizing existing container handling infrastructure at Pier 80, requiring minimal initial investment by the Port and enabling service to commence in a short period of time.

Product would be loaded directly at the mine site into specialized 20-foot long containers. Each container is sealed with a lid after the bulk product is loaded into it. The containers would be transported double-stacked on flatbed railcars. Since the containers are only 6 feet high (rather than the standard 8 feet), the double-stacked containers would be able to navigate the rail tunnels south of the Port on the Caltrain mainline. Trains would be transported to the Port's rail yard by UPRR then switched over to Pier 80 by San Francisco Bay Railroad. Containers would be unloaded from the

trains by ILWU labor, stacked and stored on the pier. Once the vessel arrives, gantry cranes utilizing specialized revolving spreaders would be used to lift and empty container contents into the vessel's open hatch, and then to lower empty containers back onto the dock.

The new property agreements associated with this new maritime activity would be subject to the Port's Southern Waterfront Beautification Policy, which imposes a one-time fee equal to \$0.05 per square foot of the leased area multiplied by the lease term, in years. These funds would be used to implement greening and maintenance of the exterior areas around leased premises, and southern waterfront open space projects such as the Blue Greenway, as well as area wetlands restoration, pier removal, public art and historic preservation projects.

Asphalt Batching – Seawall Lot 352

Located inland of Piers 94-96 is Seawall Lot 352, a 48.5 acre site, and Seawall Lot 344, a 17.8 acre site. Most of the combined site is populated with maritime industrial tenants including Hanson Aggregates, a portion of Central Cement's (formerly Bode Gravel) operations, Sustainable Crushing and portions of the Pier 94 Wetlands. A portion of Seawall Lot 344/352 is part of the Port's "Backlands" and is vacant. There also is a 5-acre pad within Seawall Lot 352 that the Port had previously leased to Pacific Cement and, following their departure, issued a Request for Proposals for subsequent use as discussed below. It has been vacant for approximately 7 years.

To maintain and expand the existing bulk cargo business opportunities at Piers 94-96, the Port continues to pursue Southern Waterfront lease opportunities which would increase demand for sand and bulk aggregate shipped through the Port. The Port also has been working with the City to address needs of its public works operations for maintaining streets, which generates an ongoing need for paving products. Similar to Central Concrete and CEMEX, the Port's two concrete batch plant tenants, the City has an interest in co-locating asphalt production at Seawall Lot 352, closer to the aggregate supply source at Piers 94-96. Subject to further direction from the Port Commission, Port and the Department of Public Works ("DPW") staff are also contemplating enabling a prospective tenant to batch non-structural, recycled concrete for sidewalk, curb, gutter and street sub-base applications (in addition to asphalt batching).

In May 2008, the Port Commission approved the Port staff proposal to conduct a competitive solicitation for a five-acre site at Seawall Lot 352 for concrete batching and/or asphalt batching, with a bulk maritime component at Pier 94 (the former Pacific Cement concrete batching site). Due to poor economic conditions and related factors, the Port did not receive any responses to this 2008 opportunity. Port staff continues to coordinate with DPW to structure a competitive solicitation in a manner that will meet the Port and DPW needs and yield a strong market response. If directed by the Port Commission, staff expects to issue this competitive solicitation in conjunction with DPW in Fall 2014.

Asphalt & Non-Structural Concrete Plant Request for Proposals

If the Port Commission approves a Request for Proposals (RFP) for Seawall Lot 352, DPW, in consultation with the Port, would select a qualified Respondent (the "Operator") that has the demonstrated ability to develop and operate an asphalt and concrete production facility on the site, with the goal of negotiating a maritime industrial lease and related documents for the lease of the site. The Operator would have experience in the financing, development and operation of asphalt and concrete production facilities, preferably would possess experience with the start-up of new operations, as well as an exemplary record of environmental facility design, operations, regulatory compliance and community relations. The Operator would be encouraged to use the available marine bulk cargo terminal to receive aggregate materials from marine vessels at the Pier 94 maritime berth (or other identified berth) and bulk liquids via freight rail.

In the event that the City elects to enter into an agreement for new asphalt and concrete production facilities at the site, the City would likely require a companion long-term purchase contract negotiated by the parties that would provide a reliable, high-quality and competitively priced source of asphalt and/or concrete for City operations. The City maintains approximately 850 miles of streets and roadways comprising 12,458 street segments or blocks; 37 miles of roadway within the City's Park System; certain special streets such as the Embarcadero and Doyle Drive; sidewalks adjoining City, State and Federal properties; and 340 street structures. The City's Board of Supervisors ("Board of Supervisors") has adopted a 10-Year Capital Plan ("Plan"). The 10-Year Capital Plan for the City proposes \$993 million in renewal funding for streets and right-of-way assets. Of this, about 87 percent (\$867 million) would be used to fully fund the City's street resurfacing program to allow the City to achieve its desired Pavement Condition Index (PCI) score of 70 by FY 2020. Based on the funding assumptions in the Plan, there is strong projected demand for asphalt and non-structural concrete to serve City needs.

The City envisions a public-private partnership for construction and operation of asphalt and concrete production facilities. Under this scenario, the Port and DPW would provide:

- M2 heavy industrial land on which to construct facilities under a long-term agreement; and
- A long-term purchase contract for asphalt and concrete for City needs, subject to a negotiated price and price-audit structure and quality control provisions.

The Operator would provide:

- Risk capital to construct the facility;
- A team with the knowledge and experience necessary to construct and operate high quality asphalt and concrete production facilities;
- Access to raw materials necessary to batch asphalt and concrete;
- A commitment to use recycled materials necessary to manufacture Reclaimed Asphalt Pavement (RAP) and concrete;

- A facility that can sell to private sector parties and public agencies; and
- Area beautification and economic development opportunities for the community through compliance with the Port's Southern Waterfront Beautification Policy and Community Benefits policy.

Backlands Improvements – Seawall Lots 352 and 344

The Backlands is a property that straddles Seawall Lots 352 and 344. There are approximately 23 acres of unleased land in the Backlands. This land area is characterized with uneven terrain which requires the application of fill material and grading for leveling to support any leasing activity. The site was created with non-engineered landfill and is subject to differential settlement over the underlying landfill area. Prior site condition studies indicated that building traditional industrial buildings on this site would be financially infeasible: the cost of driving piles to support foundations far exceeds potential revenues from typical industrial warehouses. As a result, Port staff, in consultation with SWAC, has developed a plan to improve the site for surface industrial leasing (storage, construction laydown, etc.). To support new leasing, Port staff has developed with the Department of Public Works ("DPW") site improvement plans for the area that include paving, new roads, utilities and natural based storm water management.

Port staff intends to finalize this work with DPW staff to develop construction documents, which would include engineering plans, specifications and an engineer's estimate for construction. Design services would include geotechnical hydraulic, mechanical and electrical engineering, and landscape architect.

The proposed construction project would improve a total of approximately 23 acres, approximately 20 acres of which would become available for leasing. As a means of value engineering the project, and subject to Port Commission approval of a lease for Construction Materials Recycling at SWL 352 and appropriate materials testing protocols, Port staff proposes to use fill material made from existing concrete debris material currently stored on the Backlands.

Opportunities	Acres	Employees	Annual Revenues	Location
Asphalt Batch Plant	5	10	\$650,000 - 750,00	Seawall Lot 352/Pier 94
Iron Ore Terminal	20	15	\$2.5 – 3.5 Million	Pier 96
Backlands Improvements	20	Unknown	\$2.5 - 3 Million	SWLs 352 & 344

Note: Revenue projections are estimates, actual revenues will be subject to negotiation.

Next Steps

This report is an opportunity to summarize planned projects in the Southern Waterfront, subject to feedback and direction from the Port Commission, Port Advisory Groups and the public. Port staff envisions the following next steps:

1. Seek comments, ideas and concerns from the Port Commission and the public today;
2. Present the approach for implementing these projects to the Southern Waterfront Advisory Committee and Maritime Citizen Advisory Committee to keep them informed and to solicit comments;
3. For each project, develop more refined project descriptions, options, cost estimates, and construction documents for required improvements, and define regulatory permit and approval requirements; and
4. Provide the Port Commission and the public with periodic updates on the progress of the proposed new activities should such activities be endorsed by the Port Commission.

Prepared by: Kanya Dorland, Planner
Jim Maloney, Cargo Marketing Manager
Brad Benson, Director of Special Projects

For: Byron Rhett, Deputy Director, Planning and
Development

Peter Dailey, Deputy Director, Maritime

Exhibit 1





MEMORANDUM

September 19, 2014

TO: MEMBERS, PORT COMMISSION
Hon. Leslie Katz President
Hon. Willie Adams Vice President
Hon. Kimberly Brandon
Hon. Mel Murphy
Hon. Doreen Woo Ho

FROM: Monique Moyer *M. Moyer*
Executive Director

SUBJECT: Informational Presentation on the status of the Port's Blue Greenway Projects

DIRECTOR'S RECOMMENDATION: No Action Required

Overview

The purpose of this item is to give the Port Commission and the public a status report on the progress of the Port's Blue Greenway projects. The Blue Greenway is a City and County of San Francisco project to improve and expand the public open space network along the City's central and southern waterfront, from China Basin Channel to the San Francisco southern county line (*see Exhibit 1, Blue Greenway System*). When fully completed in 2045 this network will consist of 13 miles of contiguous pedestrian and bicycling routes plus a series of parks and respite areas at which to enjoy and access the Bay.

The Port has taken a leadership role in planning, coordinating and improving the City's Blue Greenway Project. It has been able to accomplish this by utilizing a variety of funding sources, including the 2008 and 2012 Parks General Obligation Bonds, the Port's Southern Waterfront Beautification funds, pursuing and receiving grants and using other Port capital and operating funds.

An overriding objective of the Blue Greenway project is to establish a waterfront open space system, while recognizing the existing maritime and industrial uses that are important to supporting a diverse economic base in the City including the Port's operations. The Port has worked collaboratively with the City family and southeast community stakeholders to develop a balanced approach to delivering new open spaces and connections, while retaining and protecting the Port's maritime and industrial leasing

THIS PRINT COVERS CALENDAR ITEM NO. 8A

operations. These efforts have focused on the delivery of Blue Greenway improvements in the area between 26th Street and Heron's Head Park, which remains the center of the Port cargo shipping and maritime eco-industrial complex. A detailed discussion of the Port's maritime and industrial operations and proposed improvements is presented in a separate staff report and informational presentation at the September 23, 2014 Port Commission meeting, under Item 7.A, Piers 80 - 96 Maritime Eco - Industrial Tenants and Opportunities.

Since 2008, the Port has accomplished much in improving the Blue Greenway, including:

1. Completed a planning process to develop the Blue Greenway Planning and Design Guidelines;
2. Designed and constructed an expanded Heron's Head Park;
3. Closed a 1,500 linear foot gap along the Blue Greenway and opened up the same length of shoreline access along Mission Bay;
4. Closed a ¾ mile gap and created the City's first separated and protected cycle-track along Cargo Way;
5. Nearly completed the Blue Greenway Signage;
6. Commissioned an artist to create and install Bayview Rise a large public art project on the Pier 92 Silos;
7. Coordinated with the San Francisco Arts Commission to commission an art work for the Bayview Gateway site;
8. Secured a grant and initiated a design to restore the Copra Crane;
9. Completed the design of Tulare and Bayview Gateway projects and initiated construction of the Bayview Gateway project;
10. Completed the Master Plan for Crane Cove Park; and
11. Pursued and secured \$2,120,000 in grant funds for Blue Greenway projects

In the next few years the Port will begin the planning, design and construction of the following projects:

1. Islais Creek promenade between 3rd and Tennessee Street
2. Warm Water Cove Park rehabilitation and expansion
3. Crane Cove Park phase 1
4. Agua Vista Park to integrate with the future Mission Bay Bayfront Park
5. Bi-directional cycle track - through Coordination with San Francisco Municipal Transportation Agency (SFMTA) and San Francisco Office of Community Investment and Infrastructure (OCII) construct the Terry Francois Boulevard; and
6. Coordinate with the OCII on the Mission Bay Bayfront Parks.

Once completed, the above projects will represent approximately \$42.6 million of improvements utilizing Park GO Bonds, Port capital funds and grants. Additionally the Port anticipates that an additional \$30 million of funds will be invested by the Port's development partners in additional Blue Greenway projects in the coming years.

As requested by the Port Commission the following is intended to give the Port Commission an update on the status of the Port's Blue Greenway projects.

Status of Port Blue Greenway Projects

The following provides a brief update for each of the Port's Blue Greenway projects, beginning in the South and moving North

Heron's Head Park - Completed

In August 2012, the Port opened the new entry and expansion of Heron's Head Park. It was developed to complement the existing park, while expanding the programming opportunities. New park features include a new low-mow meadow, picnic and barbecue areas, park signage, site furnishings, a new off leash dog run, a new parking lot and permanent restrooms and utility area. This improvement has been very well received by the community and is actively used by dog walkers, families and individuals.

Cargo Way Bicycle Lanes - Completed

In August 2012, the City's first bi-directional Class I bicycle facility was opened. The improvements included a protected and divided space for bicyclists, laser detected signals that are triggered by bicyclist and safety signage. This project closed a ¾ mile gap in the Blue Greenway. It has been very well received by neighborhood residents, walkers and recreational and commuter bicyclist.

Pier 92- Grain Silo - Bayview Rise - Completed

In February of 2014, the Port Commission, Supervisor Malia Cohen and the community celebrated the lighting Bayview Rise, an illuminated mural for the Port's Pier 92 grain silos that weaves together iconic imagery reflecting the Bayview neighborhood's changing economy, ecology, and community. The project has been well received by the community and has received awards and recognition, including Best of the Bay 2014 by San Francisco Magazine and by Architectural Record Magazine. (see: *Exhibit 2, Bayview Rise*)

Bayview Gateway - Completed

The Bayview Gateway is generally located between Cargo Way, Third and Illinois Street and Islais Creek. The project is now under construction and will be a new 1 acre open space at the gateway to the Bayview Community. This project includes: new landscape areas, pathways, site interpretation and public art that will be on either side of Third Street. This location will also act as a transition point along the Blue Greenway providing respite for those traveling along both Cargo Way and Illinois Street, be a viewing area for the Bayview Rise project and be a place to learn about the area's natural and cultural history. This project is anticipated to be significantly completed by summer of 2015. (see: *Exhibit 3, Bayview Gateway Plan*).

Copra Crane Restoration - Pending

In the summer of 2013 the Port received a grant to reconstruct and reassemble the Copra Crane on Islais Creek at the terminus of Indiana Street. The crane was the last hand operated machinery used by Longshoreman and will be recognized as a Labor Landmark once completed. The crane will add to the industrial skyline of Islais Creek and be complimented by Bayview Rise and the Liberty Ship sculpture by Nobuho Nagasawa. It is anticipated that this project will begin construction in the spring of 2015 and be completed in the fall of 2015 (see: *Exhibit 4, Copra Crane*).

Tulare Park - Delayed

Tulare Park is a connector park along Islais Creek that connects Illinois and Third Streets. This park was originally constructed in the 1970s and is in need of upgrades including accommodating access to those with disabilities. The Port, working with the community and the Department of Public Works developed a creative design solution to accommodate access to all and improve the appearance of this shoreline open space.

This project was bid and was not awarded because the bid exceeded the budget by over \$600,000. The Port is working with both DPW and the SFPUC on alternative design ideas that are more cost effective and accommodate the PUC sub-surface infrastructure and access requirements.

Crane Cove Park- Pending

Crane Cove Park is an approximately 9 acre proposed park within the Port's Pier 70 area. It is generally bound by 19th Street on the south, Illinois Street on the east, Mariposa Street on the north and the Bay and Ship Repair operations on the east.

The Park Master Plan was completed in December 2013 and the Schematic Plan was approved by both the City's Waterfront Design Advisory Committee and San Francisco Bay Conservation Development Commission Design Review Board in the spring of 2014. (see Exhibit 5). The park program includes adaptive reuse of the ship building slipway and cranes as a plaza and park entry, construction of a sandy shoreline for human powered boats, a large multi-purpose lawn, children's play area, park pavilion and an extension of 19th Street to serve as a park entrance and access for the ship repair yard and future connection of the Blue Greenway to the eastern shoreline of Pier 70. The current funding will deliver approximately five acres of the park. Once completed the park will serve a variety of users including boaters, children, families, bicyclists, historians, light recreation and could host a variety of special events.

Schematic Design will be finalized this fall and construction drawings will be finished in summer of 2015. It is anticipated that the project will begin construction in the fall of 2015 and be complete in in spring of 2017.

Bayfront Park Shoreline - Completed

In 2012, the Port completed and opened to the public the Mission Bay, Bayfront Park shoreline. This project improved the shoreline to accommodate the future Bayfront Park and opened up 1500 linear-feet of shoreline for public access. The project included the removal of deteriorated pier and wharf structures, creosote treated piles, abandoned utilities and established a protected shoreline edge. Recognizing the ultimate park improvements were several years from completion the Port installed a multi-use pathway and site furnishings. This shoreline improvement project gets active use, by joggers, walkers and fisherman on a daily basis, the project also closed a ¼ mile gap in the Blue Greenway system.

Blue Greenway Signage - Underway

An improvement identified in the Blue Greenway Planning process was the need for the Blue Greenway to have an identity and marker along the system. The Port, with assistance from a design team, developed a design for a way-finding system to (a) improve

recognition of the system of open spaces and the alignment of the Blue Greenway even before it is completely designed, funded and built; (b) help build an identity to the system for today's users and potential users; and (c) through removable panels, allow for future area interpretation on the signs as the Blue Greenway evolves in the next 35 years. *Exhibit 6, Blue Greenway signage* illustrates the design and locations of the signs to be installed. The signs are under construction and are anticipated to be complete by the end of September.

Blue Greenway Art - Pending

In addition to Blue Greenway signage, public art is an integral component of the Blue Greenway and will assist in strengthening its identity. The first Blue Greenway public art to be installed was the Pier 92 Grain silos as described above. This art piece was funded from the Port's Southern Waterfront Community Benefits funds. The next public art piece will be commissioned through a coordinated effort with the San Francisco Arts Commission through the Art Enrichment program at the Bayview Gateway open space project. The art project will be located at the intersection of Third Street, Cargo Way and Arthur Avenue, with the requirement that the northwest corner of Third Street and Arthur Avenue be the dominant art feature. (see *Exhibit 7, Bayview Gateway Art Locations*). This site was chosen to emphasize and highlight the Northern Gateway into the Bayview community. The Port and Arts Commission anticipate that the art will be completed in fall of 2015.

In addition to the public art projects underway, Port staff will continue to investigate opportunities for both permanent and public art for locations identified in the Blue Greenway Planning and Design Guidelines.

Other Blue Greenway Projects - Pending

The 2012 Parks General Obligation Bond includes funding for design and improvements to three other parks: Islais Creek, Warm Water Cove Park and Aqua Vista Park. The initial due diligence for these projects is in development with anticipation that these projects would be delivered in 2017. The Port expects to complete all Blue Greenway projects within its jurisdiction by 2035 with most projects coming into fruition in the next 5 years.

Climate Adaptation

Each of the Port's Blue Greenway Projects is located along the waterfront, which allows for different methods of adapting to sea level rise (SLR). Designs to protect against or accept SLR differs from project to project. The Mission Bay Bayfront Park shoreline project increased the elevation of the shoreline edge to protect against anticipated SLR and storm run up through 2065, while accepting that during some extreme events, there will be some inundation. The Bayview Gateway project increases flood protection by raising the creek side elevation by approximately two feet through a combination of walkway structure and seawall modifications, protecting the project to 2065. The Crane Cove Park project design both increases the elevation of the shoreline edge in some locations, but also accepts that portions of the park will be inundated with SLR overtime and during extreme storm events after 2065.

Port Blue Greenway open spaces will continue to be planned and designed accordingly for projected SLR.

Next Steps

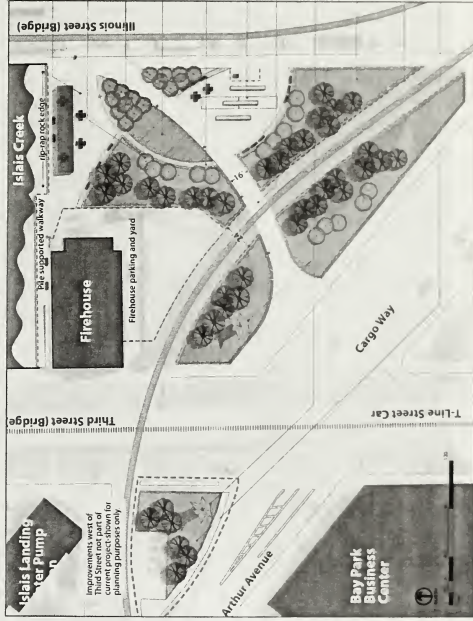
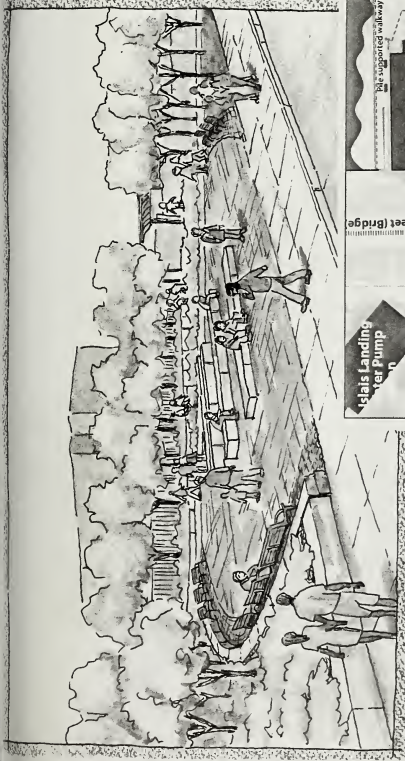
The Port will continue to implement projects that are funded through the resources available and pursue available grants and other funding. In addition it will continue to coordinate with other City, Regional and State agencies and interested stakeholders towards the goal of completing the Blue Greenway projects and growing stewardship and use of the system. Port staff will return to the Port Commission for periodic updates on the status of the Blue Greenway and as required to receive approval for bidding and awarding of construction contracts.

Prepared by: David Beaupre, Senior Waterfront Planner

For: Byron Rhett, Deputy Director, Planning and Development

Exhibits:

1. Blue Greenway System Map
2. Bayview Rise Plan
3. Bayview Gateway Plan
4. Copra Crane
5. Crane Cove Park Master Plan
6. Blue Greenway signage
7. Bayview Gateway Art Locations



Illas Plaza benches, picnic tables, and shade structure

Fruit Trees

Not Trees within a previous walkable surface

Illas Berry Patch

Permeable granite pavers and benches for seating or circulation

Illas Wright Station Plaza benches, tables, and interpretive elements

Pedestrian railroad crossing

Locations for sculpture Gateway art

Landscape throughout California coastal low, which

Fence along both sides of the walkway & freight channel

Re-aligned center with sidewalk and bicycle lane (not part of proposed project)

Exhibit 3, Bayview Gateway Plan

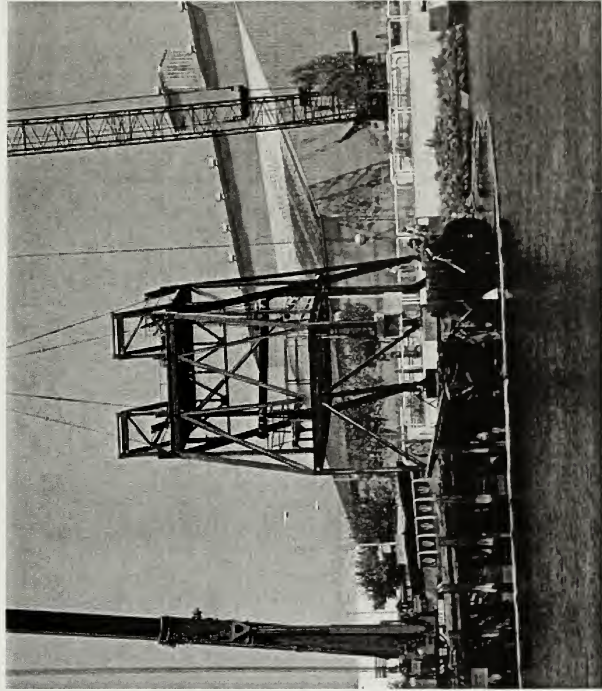
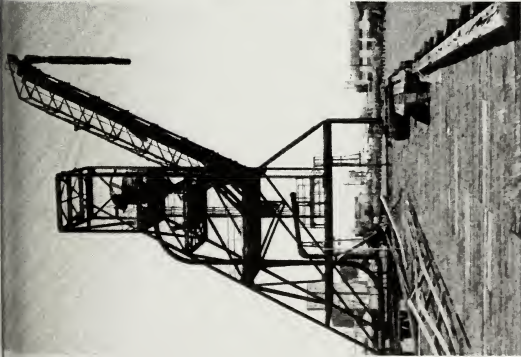
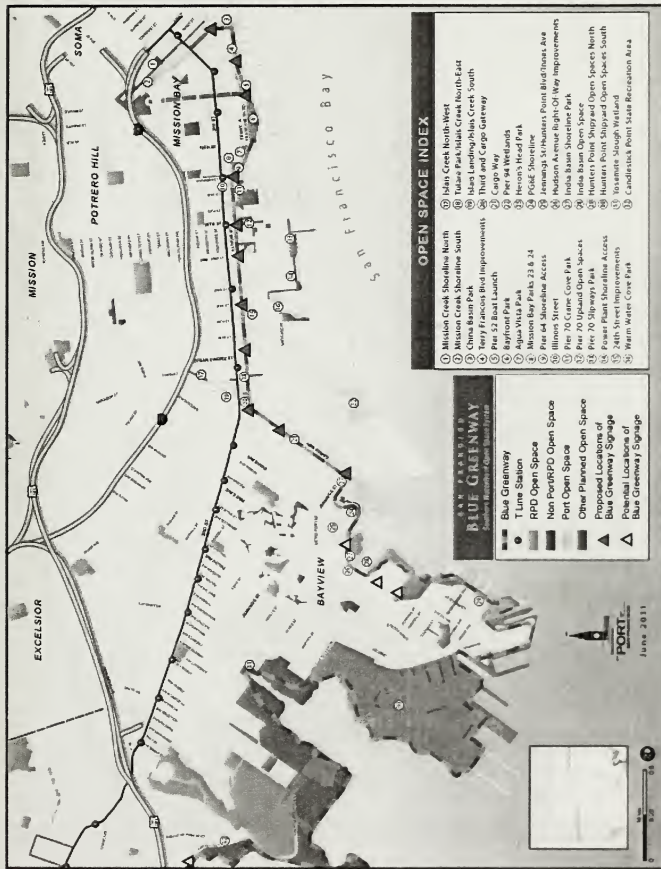


Exhibit 4, Copra Crane Site Photos



Exhibit 5, Crane Cove Park Master Plan - Site Plan



OPEN SPACE INDEX

- ① Mission Creek Shoreline North
- ② Mission Creek Shoreline South
- ③ China Basin Park
- ④ Terry Francois Blvd Improvements
- ⑤ Pier 52 Boat Launch
- ⑥ Bayfront Park
- ⑦ Aqua Vista Park
- ⑧ Mission Bay Parks 23 & 24
- ⑨ Pier 64 Shoreline Access
- ⑩ Illinois Street
- ⑪ Pier 70 Crane Cove Park
- ⑫ Pier 70 Upward Open Spaces
- ⑬ Pier 70 Shipways Park
- ⑭ Piers Plant Shoreline Access
- ⑮ 24th Street Improvements
- ⑯ Warm Water Cove Park
- ⑰ Mission Creek North-West
- ⑱ Tule Lake/Hale Creek North-East
- ⑲ Blais Landing/Hale Creek South
- ⑳ Third and Cargo Gateway
- ㉑ Cargo Way
- ㉒ Pier 94 Wetlands
- ㉓ Heron's Head Park
- ㉔ Potrero Shoreline
- ㉕ Jerningham Strickland Point Blvd/Thurs. Ave
- ㉖ Hudson Avenue Light-Off Way Improvements
- ㉗ India Basin Open Space
- ㉘ India Basin Shoreline Park
- ㉙ Hunters Point Shipyard Open Spaces North
- ㉚ Hunters Point Shipyard Open Spaces South
- ㉛ Hunters Point Shipyard Wetlands
- ㉜ Candlestick Point State Recreation Area

HIERARCHY

Blue Greenway
Blais

Neighborhood
Identification

Wayfinding

DOGPATCH

Port/RO

Port/RO

Port/RO

Port/RO

Port/RO

Port/RO

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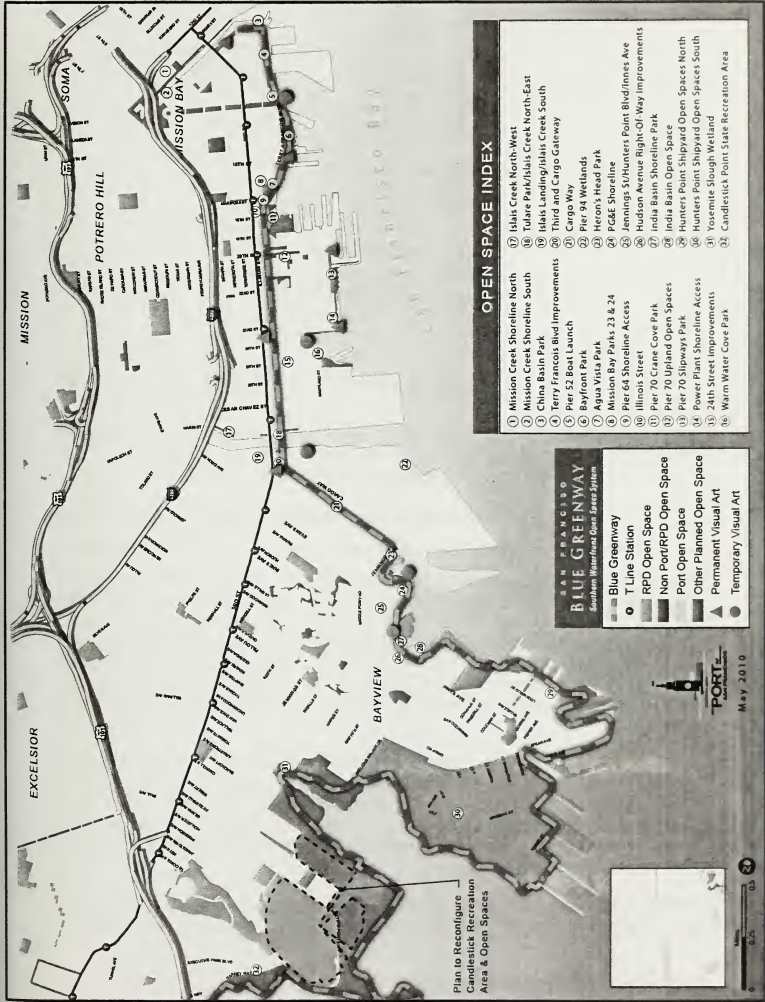
Port/RO

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BLUE GREENWAY SIGNAGE JUNE 16, 2011
Scale: 1" = 100' (1:100)
Scale: 1" = 100' (1:100)
Scale: 1" = 100' (1:100)





MEMORANDUM

September 19, 2014

TO: MEMBERS, PORT COMMISSION
Hon. Leslie Katz, President
Hon. Willie Adams, Vice President
Hon. Kimberley Brandon
Hon. Mel Murphy
Hon. Doreen Woo Ho

FROM: Monique Moyer
Executive Director *MMoyer*

SUBJECT: Informational Presentation on City and County of San Francisco Civil Grand Jury 2013-2014 report *Port of San Francisco Caught between Public Trust and Private Dollars* and Port response thereto

DIRECTOR'S RECOMMENDATION: Informational Only

On June 20, 2014, the Fiscal Year 2013-14 Civil Grand Jury ("Jury") issued a report titled *Port of San Francisco Caught between Public Trust and Private Dollars* ("Jury report"). A complete copy of the Jury report can be obtained on the Port's website at <http://sfport.com/index.aspx?page=1497&recordid=258&returnURL=%2findex.aspx> together with the Port's response and those of other city departments. A table summarizing the Findings, Recommendations, assigned Respondents and agreement/disagreement with the Findings and Recommendations is attached hereto as Exhibit A.

On September 11, 2014, the Government Audit and Oversight Committee of the Board of Supervisors (BOS) held a hearing on the report and unanimously adopted responses to the Recommendations assigned for their review and response. On September 16, 2014, the recommendations of the Government and Audit Committee were adopted unanimously by the full BOS. The BOS's action constitutes the legal response for the City.

Responses were also requested from the Port and 5 other city agencies. The Port, through its Executive Director, responded as requested. On August 15, 2014, the Port

THIS PRINT COVERS CALENDAR ITEM NO. 8B

issued its response to the presiding Judge of the Superior Court of the City & County of San Francisco, Ms. Cynthia Ming-mei Lee. Responses were also submitted by Mayor Edwin Lee, the Departments of City Planning and Public Works, and the SF Municipal Transportation Agency. Copies of all responses can be obtained on the Port's website as listed above. A copy of the Port's response is attached hereto as Exhibit B.

At the Port Commission's September 23, 2014 meeting, representatives of the Jury will present an overview of the Jury report. Port staff will present an overview of the Port's response.

BACKGROUND

The City and County of San Francisco Civil Grand Jury ("Jury") scrutinizes the conduct of public business of County government. Its function is to investigate the operations of the various officers, departments and agencies of the City & County of San Francisco. Each Civil Grand Jury determines which officers, departments and agencies it will investigate during its term of office. Grand juries are one of the oldest forms of government, with roots in twelfth century England. The first formal grand jury in the United States was formed in 1635 and grand juries have been recognized by the State of California since the State's inception. The Civil Grand Jury is comprised of 19 members representing the citizens of the City & County of San Francisco by investigating, evaluating, and reporting on the operations and actions of local government officers, departments or agencies. The grand jurors serve for a period of one year, from July 1 through June 30 the following year, and are selected at random from a pool of 30 volunteers. During the term, grand jurors serve a minimum of approximately 500 hours.¹

In June and July 2014 the Jury issued 6 reports following its year-long investigations:

1. *The Port of San Francisco - Caught Between Public Trust and Private Dollars* – June 2014
2. *Rising Sea Levels ...At Our Doorstep* (revised) - June 25, 2014
3. *Ethics in the City: Promise, Practice or Pretense* - June 26, 2014
4. *Inquiry into the Operation and Programs of the San Francisco Jails* - July 3, 2014
5. *The Mayor's Office of Housing: Under Pressure and Challenged to Preserve Diversity* - July 7, 2014
6. *Survey of San Francisco Commission Websites* - July 9, 2014

¹ Source: Jury website: www.civilgrandjury.sfgov.org

Jury Report

According to the Jury report on the Port, the Jury focused on the following issue related to the Port's operations and management:

"The Port of San Francisco is facing daunting challenges to fulfill Public Trust obligations. The Port's piers, all of which were built over a hundred years ago, are deteriorating and many capital improvements have been deferred for decades. The recent trend of the Port has been to negotiate selling or encumbering precious Port property and signing agreements for the City to forego tax benefits in exchange for massive funding from private developers.

The Jury investigated whether there are other options for the use and development of Port property that better meets the desires and needs of the City's residents. Of equal concern is whether there is sufficient public input in determining the best ways to meet Public Trust requirements."

The Jury's report summarizes its observations and findings. As part of the report, the Jury identified 11 Findings, and within those Findings, made 15 Recommendations and Sub-Recommendations. These Findings and Recommendations are summarized in the Jury's report (see Port website) beginning on page 33 as a "Response Matrix". The Jury identified a total of 7 agencies to respond to its Jury Report including the Port, Board of Supervisors, Mayor Ed Lee, Department of City Planning, SF Municipal Transportation Agency, Recreation and Parks Department and Department of Public Works.

Port Response

California Penal Code Section 933.05 governs the requirement of each agency to respond and the format of the response to be submitted. For each finding the response must²:

- 1) agree with the finding, or
- 2) disagree with it, wholly or partially, and explain why.

As to each recommendation the responding party must report that:

- 1) the recommendation has been implemented, with a summary explanation; or
- 2) the recommendation has not been implemented but will be within a set timeframe as provided; or
- 3) the recommendation requires further analysis. The officer or agency head must define what additional study is needed. The Grand Jury expects a progress report within six months; or
- 4) the recommendation will not be implemented because it is not warranted or reasonable, with an explanation.

² Source: Jury report, page iii

While not specifically required to do so, the Port responded to each of the Findings and Recommendations and submitted written explanations for each such response. The Port's responses were characterized as (i) Agree, (ii) Disagree, (iii) Partially Agree or (iv) Partially Disagree. In all but two cases, the recommendation either has been implemented already, is in the process of implementation or will not be implemented as explained in the Port's response. The Port's response indicated that the Port will not implement Recommendation 6 (lobby to revise Passenger Services Vessel Act) or Recommendation 11 (seek voter approval of Port IFD bonds). However, at its committee hearing, the BOS directed the Port to pursue Recommendation 6.

There is much within the Jury report with which Port staff agrees. We agree with the Jury that the Port succeeds most when it fosters strong public involvement in planning Port projects. The Port's Waterfront Land Use Plan is founded on the principle of public involvement.

Port staff appreciates that the Jury highlighted the many Port accomplishments over the past several decades, including the Ferry Building Renovation, AT&T Park, the Exploratorium at Pier 15, the Pier 45 Fish Processing Center and the more than 20 parks, plazas, open spaces and fishing piers that are now open to the public. All of these projects continue to succeed due to strong public visitation and enjoyment.

A prevailing theme within the Jury report is that the Port "has not maintained the past level of outreach to the general public." As noted in the Port's response, the Port established its first community advisory group in 1918 and hosts 6 community advisory groups today. The average timeline for a Port development project is 6-8 years and in the last 8 years, 400+ public meetings have been held by the Port or the BOS in addition to meetings held by neighbors and other citywide organizations.

NEXT STEPS

As mentioned above, a hearing by the Port Commission is not legally required; however it represents the Port's commitment to transparency and the ability of the public to comment. The Port will continue to implement those recommendations that are underway and periodically report its progress to the City Controller for submission to the Superior Court.

Port staff appreciates the time and effort undertaken by the volunteer members of the Jury and their efforts to analyze the Port enterprise. We recognize that the Port is a complex enterprise that is subject to significant oversight from regulatory bodies and significant public scrutiny. We appreciate that the Jury identified many important attributes of the Port's business lines and we understand that it is not possible for the Jury to understand all of the complexities thereof in one short year. Thus, Port staff was pleased to have an opportunity to respond to and expand on the Jury's Findings and Recommendations.

Exhibits

- 1) Summary of Findings, Recommendations, Respondents and Responses
- 2) Port Response Matrix

Exhibit A: SUMMARY OF FINDINGS, RECOMMENDATIONS, RESPONDENTS & RESPONSES

CIVIL GRAND JURY ITEM (ABBREVIATED)	REQ'D RESPONDENTS	PORT	BOS	MAYOR	PLANNING	SFMTA	DPW
Who is Making Decisions? Finding 1: Port Commissioners should be appointed by the Mayor and confirmed by the Board	Board of Supervisors		Partially Disagree				
Waterfront Land Use Finding 2: Port is a land bank and real estate management company; Port has a policy of attempting to repair all existing piers and related structures	Port	Disagree					
<ul style="list-style-type: none"> Recommendation 2a: Costs and benefits to repair should be evaluated against the cost and benefits of not doing so Recommendation 2b: Other sources of revenue should be expanded. Maritime and industrial use has great potential 	Port	Agree; in practice since 2006					
	Port	Agree, in practice since 2004					
Waterfront Land Use Finding 3: Proposed projects get limited public input; Planning Dept & Mayor's Office influence development project selection; public is not made aware of possible alternate uses	Port, Planning	Disagree			Partially Disagree		
<ul style="list-style-type: none"> Recommendation 3: Public scrutiny of proposed variances from the Plan 	Port, Planning	Partially Agree; already in practice			Agree		

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CIVIL GRAND JURY ITEM (ABBREVIATED)	REQ'D RESPONDENTS	PORT	BOS	MAYOR	PLANNING	SFMTA	DPW
<u>Waterfront Land Use</u> Finding 4: Port development priority is for income rather than quality of life; Some uses do not conform to the Waterfront Land Use Plan; there is a lack of transparency	Port, Board of Supervisors, Planning	Disagree	Partially Disagree		Disagree		
<ul style="list-style-type: none"> Recommendation 4a: Immediately update the Waterfront Land Use Plan and rename it the Waterfront Maritime and Land Use Plan 	Port	Partially disagree; review underway					
<ul style="list-style-type: none"> Recommendation 4b: ensure that changes or variances to the existing Waterfront Land Use Plan or the City's General Plan have extensive public input 	Port, Planning	Agree in practice since 1997			Implemented		
<u>Transportation</u> Finding 5: SFMTA master plan does not directly address development on Port lands	Port, SFMTA	Disagree				Disagree	
<ul style="list-style-type: none"> Recommendation 5: SFMTA should incorporate current and future transit needs; SFMTA must address reliability and increased capacity; VETAG system should be maintained 		Agree; in practice since 2002				Implemented	
<u>Cruise Ship Terminal</u> Finding 6: Cruise Ship Terminal at Pier 27 will be severely underutilized due to	Port, Board of Supervisors, Mayor	Partially Agree	BOS will not implement. Asked Port to	Partially Agree			

Exhibit A: SUMMARY OF FINDINGS, RECOMMENDATIONS, RESPONDENTS & RESPONSES

CIVIL GRAND JURY ITEM (ABBREVIATED)	REQ'D RESPONDENTS	PORT	BOS	MAYOR	PLANNING	SFMTA	DPW
Passenger Vessel Services Act of 1886 • Recommendation 6: lobby for modifications to the Passenger Vessel Services Act of 1886 to allow foreign-flagged vessels easier access to the City as a pilot program	Port, Mayor	Will not be implemented; deferred to AAPA	follow up.	Will not be implemented, not warranted			
Pier 30-32 Finding 7: Under the GSW proposal, Port would not have received rent; if Port sells Seawall Lot 330 all of the property tax resulting from said development would go into the City's General Fund.	Port	Partially Agree					
• Recommendation 7: consider alternatives to fund the cost of rehabilitating Piers 30-32	Port	Agree; already underway					
America's Cup Finding 8: City and Port subsidized America's Cup at taxpayers' expense	Port, Board of Supervisors, Mayor	Partially Agree	Partially Disagree – has been implemented	Agree			
• Recommendation 8a: All major events at the Port must be approved by Commission & BOS		Agree; previously implemented		Implemented			
• Recommendation 8b: Prior to approval, require validated cost proposal		Agree; previously implemented		Implemented			

Exhibit A: SUMMARY OF FINDINGS, RECOMMENDATIONS, RESPONDENTS & RESPONSES

CIVIL GRAND JURY ITEM (ABBREVIATED)	REQ'D RESPONDENTS	PORT	BOS	MAYOR	PLANNING	SFMTA	DPW
Pier 70 Finding 9: Many projects are moved ahead with minimal community input, often in the form of a quick review by the CAC and Planning Department. By contrast, the Pier 70 Master Plan was developed with significant community outreach <ul style="list-style-type: none"> Recommendation 9a: Port should ensure ongoing community input be maintained until an acceptable compromise is reached on the final plans Recommendation 9b: Jury strongly endorses extensive public outreach and community input as part of the Pier 70 Master Plan. Port should follow this model as a template for all major developments on Port lands. 	Port, Planning Port, Planning, DPW Port, Planning, DPW	Partially Disagree Agree; in practice since 1997 Agree; in practice since 2010			Partially Agree Will not be implemented		Agree Agree
Mission Rock Finding 10: there has been insufficient information and public involvement on SWL 337 project <ul style="list-style-type: none"> Recommendation 10: increased publicity and outreach is needed to reach an acceptable compromise on this development 	Port Port	Disagree Agree; in practice since 2007					

Exhibit A: SUMMARY OF FINDINGS, RECOMMENDATIONS, RESPONDENTS & RESPONSES

CIVIL GRAND JURY ITEM (ABBREVIATED)	REQ'D RESPONDENTS	PORT	BOS	MAYOR	PLANNING	SFMTA	DPW
Financing of Capital Improvements Finding 11: voter approval should be sought for issuance of Port IFD Bonds <ul style="list-style-type: none"> Recommendation 11: Port Commission and Board of Supervisors should place a referendum before the voters that asks for approval to issue IFD Bonds 	Port, Board of Supervisors Port	Disagree Disagree; will not be implemented	Partially Disagree				



EXHIBIT B

August 15, 2014

Honorable Cynthia Ming-mei Lee
Presiding Judge
Superior Court of California
County of San Francisco
Civic Center Courthouse
400 McAllister Street, Room 008
San Francisco, CA 94102-4512

RE: Response to June 2014 Civil Grand Jury Report, *The Port of San Francisco Caught Between Public Trust and Private Dollars*

Dear Judge Lee,

The Port of San Francisco is pleased to present its response to the Civil Grand Jury's June 2014 Report, *The Port of San Francisco Caught Between Public Trust and Private Dollars*. It is our understanding that, in addition to the Port's response, responses will be submitted separately by the Board of Supervisors, the San Francisco Planning Department, the San Francisco Municipal Transportation Agency and the Office of the Honorable Edwin Lee, Mayor of San Francisco.

The Port of San Francisco greatly appreciates the time and effort undertaken by the volunteer members of the Civil Grand Jury and their efforts to analyze the Port enterprise. The Port welcomes input and ideas that help us improve the waterfront for the public's benefit. We agree with the Civil Grand Jury that the Port succeeds most when it fosters strong public involvement in planning our projects. The Port has been engaging proactively with stakeholders since creation of our first community advisory group in 1918. The Port's Waterfront Land Use Plan is founded on the principle of public involvement, which Port staff pursues with each major development opportunity along the public's waterfront.

A prevailing theme within the Civil Grand Jury's report is that the Port "has not maintained the past level of outreach to the general public." As noted in the Port's response, the Port hosts 6 community advisory groups providing public input on projects and operations in both geographic regions of the waterfront as well as the entire maritime sector. The average timeline for a Port development project is 6-8 years. In the last 8 years, 400+ public meetings have been held by the Port or the Board of Supervisors in addition to meetings held by neighbors and other citywide organizations:

Crane Cove Park	40
Exploratorium at Pier 15	50
Pier 27 Cruise Terminal	43
Piers 30-32 Warriors Arena (terminated)	50
Pier 70	88
Seawall Lot 322-1 (affordable housing, just beginning)	11
Seawall Lot 351 (part of the 8 Washington proposal)	82
Seawall Lot 337 (Mission Rock Development)	<u>50</u>
TOTAL	414

All advisory committee meetings are public meetings. Notices are sent to 1,500 interested citizens who have requested to be informed of and follow these meetings. The mailing list grows each year demonstrating the high level of interest and opportunity for public dialogue. Additionally, the Port's projects are covered frequently by local news and social media sources. For example, there are thousands of entries on the web regarding the Golden State Warriors' proposed arena at Piers 30-32 and more than 100,000 entries regarding Seawall Lot 337 posted over the past years. While the public may not have participated in these conversations, there has been ample opportunity to do so. In fact, the decision by the Golden State Warriors to move the arena from Piers 30-32 directly resulted from the public input.

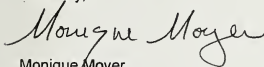
The Port appreciates that the Civil Grand Jury highlighted the many Port accomplishments over the past several decades, including the Ferry Building renovation, AT&T Park, the Exploratorium's new waterfront venue at Pier 15, the Pier 45 Fish Processing Center, and the more than twenty parks, plazas, open spaces and fishing piers that are now open to the public. In total, 123 projects have been implemented in the past 17 years pursuant to the Port's Waterfront Land Use Plan. All of these projects benefitted from strong public participation. And all of these projects continue to succeed due to strong public visitation and enjoyment.

The Port also welcomes the Civil Grand Jury's appreciation of the difficulty of funding waterfront improvements such as parks and protections against future sea level rise. Port staff particularly welcomes the call for increased maritime activity, as this is central to the Port's mission and heritage. In the past 5 years alone, the Port has made significant progress in improving our maritime assets, establishing two water taxi services, enhancing ship repair services and, after two decades, building and opening a new cruise terminal befitting of San Francisco's status as a world-class city.

Port staff thoughtfully reviewed each of the Civil Grand Jury's findings and recommendations. Attached hereto is the Port's response to those findings and recommendations. The Port has presented our responses in the same order as the Civil Grand Jury presented its report.

Thank you for your consideration of the Port of San Francisco's response. We look forward to any questions you may have or further conversations regarding the materials prepared either by the Civil Grand Jury or the respondents.

Sincerely,



Monique Moyer
Executive Director

Attachment: Port of San Francisco Response Summary

cc: Honorable Mayor Edwin Lee
Honorable Leslie Katz, President, Port Commission
Honorable Willie Adams, Vice President, Port Commission
Honorable Kimberly Brandon, Port Commission
Honorable Mel Murphy, Port Commission
Honorable Doreen Woo Ho, Port Commission
Ben Rosenfield, Controller
Angela Calvillo, Clerk of the Board of Supervisors
Elena Schmid, Foreperson 2013-2014 Civil Grand Jury

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
<p>Who is Making Decisions?</p> <p>Finding 1: Recent activities at the Port have been strongly influenced by the Mayor's office. These included the promotion of the 8 Washington Street project, most aspects of the 34th America's Cup races, a "legacy project" at Pier 30-32, and an underutilized cruise ship terminal at Pier 27. The Port Commission readily gave approvals with minimal public input. All other commissions dealing with land use decisions, including Planning, Building Inspection, and Board of Permit Appeals, are not appointed solely by the mayor. Section 12 of the Burton Act specifies that all five Harbor Commissioners be appointed by the Mayor and confirmed by the Board.</p>	<p>The Port Commission should be restructured to reflect more public interest. The Jury recommends that the Board of Supervisors seek necessary changes in state law to allow a charter amendment to be submitted to the public for revision of the current five-member Port Commission appointed by the Mayor to a Port Commission with three mayoral appointees and two by the Board of Supervisors. We recommend that this change be put before the voters in 2015.</p>		<p><i>NOTE: The Civil Grand Jury directed response to this recommendation to the Board of Supervisors. Therefore, the Port has not provided a response in the adjacent column. However, the Port does provide the following information that did not appear to be included in the making of the Civil Grand Jury's Finding.</i></p> <p>Finding 1: The Port Commissioners are nominated by the Mayor AND their selections are vetted by the Board of Supervisors, first through a committee process, followed by a full Board hearing. The Board has the exclusive right to scrutinize the candidates for ALL Port Commission appointments and to accept or reject them. Such process ensures a broad number of citizens are able to evaluate the candidates' qualifications and provide public comment to the Board of Supervisors.</p> <p>The Port Commission provides policy direction on a range of issues impacting the Port from leasing and contracting policies, budget and capital plan review and approval to historic rehabilitation and development terms. Their duties are similar to the City's enterprise departments (Airport, Port & SFPUC) as is their appointment process. The split appointment commissions referenced in Finding 1 (Planning, Building Inspection and the Board of Permit Appeals) have the commonality of being appeal bodies. While the Port Commission, like the Airport and SFPUC, does make land use decisions for its enterprise property, the Port Commission is</p>

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
			<p>not an appeal body.</p> <p>The Port Commission is one of the most diverse commissions in the City and by far the most diverse governing body of any of the 85 public ports in the nation. Of the current 5 commissioners, in terms of the diversity of their ethnic/gender/sexual orientation, 3 commissioners are women, 2 are African American, 1 is Chinese and 1 is LGBT. In terms of their professional diversity, 2 are financial experts, 1 is an elected officer of the International Longshore & Warehouse Union, 1 is a builder, 1 was formerly elected citywide to the Board of Supervisors, 1 represents the southeast sector of the City, and 1 represents the South of Market sector. In June 2014, 3 of the Commissioners were nominated by the Mayor for reappointment, appeared before the Rules Committee and were unanimously approved by the Board of Supervisors.</p> <p>Finally, the 1968 Burton Act establishes the mechanism by which the City must appoint Port Commissioners, which is mirrored in the City Charter. Changing the process for Port Commission appointments would require state legislation amending the Burton Act and a charter amendment.</p>
<p><u>Waterfront Land Use</u></p> <p>Finding 2: The Port is primarily a land bank and real estate management company; only 25% of revenue is from maritime activities.</p>		Disagree	<p>Finding 2: The Port has one of the most diverse maritime portfolios of any port on the West Coast. The Port's facilities handle cargo, cruise ships, ship repair, ferries, excursions, fishing & fish processing industries, boat and yacht harbors, harbor services</p>

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
Annual revenues of \$82 million are not sufficient to meet the needs for infrastructure repair. Today the Port has a policy of attempting to repair all existing piers and related structures			<p>such as tug and barge, bar pilots, and historic vessels. The Port's Pier 80 is the only breakbulk and project cargo facility in San Francisco Bay. The Port also manages Foreign Trade Zone No. 3 covering 7 Bay Area counties. Additionally, the Port is home to 85+ acres of open space and park lands.</p> <p>On a land basis, maritime use and open space/park activities account for 43% of the Port's asset portfolio while commercial real estate accounts for 57%. Maritime operations typically require large, low density footprints and are limited to ground level. Port parks and open space areas also are limited to the ground level. By contrast commercial real estate operations are high density uses and can be implemented in multi-story facilities, such as the Ferry Building. As such, they generate a higher return per square foot than either maritime operations or parks and open space.</p> <p>Maritime activities often generate lower revenues than commercial real estate activities and logically would represent a smaller proportion of the Port's overall revenues. Open space and park activities do not generate any income and therefore are not captured in the Port's revenues. It is disingenuous to measure the Port's value and contributions simply on a revenue basis. However, the Port agrees that Port facilities, especially Port berths, be utilized first for maritime purposes. To that end, the Port adopted its Maritime Industry Preservation Policy in 2011 which guides Port staff, tenants and developers in the importance of maintaining the Port's long-held maritime assets for current and</p>

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
	<ul style="list-style-type: none"> Recommendation 2a: Costs and benefits to repair and maintain these piers should be evaluated and weighed against the cost and benefits of not doing so. It may be possible that the sacrifice of some piers will reduce maintenance costs, thereby freeing monies for repair of more significant structures and create more open space. 	Agree	<p>future maritime activity in accordance with the City's long maritime history, the Port's core maritime mission, the Public Trust doctrine and the Burton Act.</p> <p>Recommendation 2a: This recommendation already represents the Port's current practice. The Port does NOT have a policy of attempting to repair all existing piers and related structures.</p> <p>The Port initiated its 10-year Capital Plan in 2006 and noted <i>"the goal of this 10-year Capital Plan is to provide a basis for pursuing public funding and public/private partnerships to address the Port's critical capital needs, and to prioritize spending based on public safety, fiscal responsibility, and the Port's mission. The Plan will help identify facilities and/or piers that the Port may need to close.... In short, the Port will be faced with the possibility of closing up to seven piers that have the largest currently unfunded needs."</i> The Port has updated its 10-Year Capital Plan annually for the purpose of cataloguing pier repair costs. This repair cost estimation is not a policy statement, however, but rather the calculation of cost necessary to conduct cost-benefit analyses. As a part of the Plan's annual update, the Port prioritizes its scarce funding across its facilities using criteria that include cost-benefit analyses.</p> <p>Recommendation 2b: Expansion of maritime industrial activities is a major objective of the Port. Maritime industrial activities provide family wage jobs in the City where</p>
	<ul style="list-style-type: none"> Recommendation 2b: Other sources of revenue should be expanded. Maritime and industrial use in the Southern 	Agree	

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
	Waterfront has great potential. The Port is actively pursuing growth in this area and should continue to improve infrastructure and search for new tenants.		<p>blue collar employment is eroding. Port initiatives to install shore power and to expand the port dry-docks at Pier 70 have resulted in a 50% increase in revenue at our ship repair operation and hundreds of thousands of additional man-hours of employment since 2008.</p> <p>The Port currently handles approximately 1.4 million metric tons of import bulk aggregates annually at Pier 94. The Port is working to develop an adjacent bulk export terminal at Pier 96 for cargoes such as iron ore. Feasibility and engineering design studies are underway and the Port is upgrading cargo rail connectivity to the cargo terminals funded by a Federal Railway Administrative grant. This initiative could triple bulk cargo volumes at the Port with corresponding significant growth in maritime revenue. The Port is collaborating with Union Pacific Railroad to develop these and other rail-served cargo opportunities. This includes containerized bulk exports that could be loaded onto bulk vessels at the Pier 80 omni cargo terminal.</p> <p>The Port continues to handle break bulk (non-containerized) cargo and project cargoes at Pier 80 which are slowly rebounding after a prolonged slump brought on by the financial downturn.</p>
<u>Waterfront Land Use, con't</u>			
Finding 3: The waterfront is one of the most desirable areas in the City. Proposed projects receive only		Disagree	Finding 3: The Port and the public have expended tremendous effort and investment to make this one of the most renowned waterfronts in the

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION																		
Limited public input by Citizen Advisory Committees (CAC) whose members are selected by the Port. The Planning Department and Mayor's Office have a great deal of authority to influence the selection of development projects. Citizens at large are made aware of these projects only after the Port has published an RFP. The public is not made aware of possible alternate uses that may have been considered during the early stages of project planning.			<p>world, while still operating as working port. The Port has sought public participation for almost 100 years beginning in 1918 when the Port established its first citizen's advisory committee. Today that has expanded to 6 advisory groups providing public input on projects and operations in (1) Fisherman's Wharf, (2) Northeast Waterfront & Ferry Building, (3) Central Waterfront, (4) Southern Waterfront areas, and Portwide through the (5) Maritime Commerce Advisory Committee and (6) Waterfront Design Advisory Committee. A Piers 30-32 Citizens Advisory Committee existed until April 2014.</p> <p>In the last 8 years, 400+ public meetings have been held by the Port or the Board of Supervisors:</p> <table><tr><td>SWL 322-1</td><td>11</td></tr><tr><td>Crane Cove Park</td><td>40</td></tr><tr><td>Pier 27 Cruise Terminal</td><td>43</td></tr><tr><td>Exploratorium</td><td>50</td></tr><tr><td>Piers 30-32</td><td>50</td></tr><tr><td>SWL 337</td><td>50</td></tr><tr><td>SWL 351</td><td>82</td></tr><tr><td>Pier 70</td><td>88</td></tr><tr><td>TOTAL</td><td>414</td></tr></table> <p>All advisory committee meetings are public meetings. Notices are sent to 1,500 interested citizens who have requested to be informed of and follow these meetings. This high level of interest and opportunity for public participation is in addition to public meetings held by the Port Commission, Planning Commission, BCDC and Board of Supervisors required for major Port</p>	SWL 322-1	11	Crane Cove Park	40	Pier 27 Cruise Terminal	43	Exploratorium	50	Piers 30-32	50	SWL 337	50	SWL 351	82	Pier 70	88	TOTAL	414
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PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
	<ul style="list-style-type: none"> Recommendation 3: Proposed variances from the Plan should receive increased public scrutiny prior to the issuance of an RFP. 	Partially Agree	<p>development projects and non-maritime leases. The Port carries out additional public outreach with neighborhood groups and other stakeholders through presentations, workshops, surveys and solicitation of comments through the Port website for major community planning projects, such as the Blue Greenway, Seawall Lot 337 and Pier 70.</p> <p>Development concepts for most Port sites are discussed in Port advisory committee and Port Commission meetings before the developer selection process. Projects that emerge as sole source opportunities approved by the Board of Supervisors (such as the Exploratorium and the International Museum of Women) also are subject to review and discussion at Port advisory committee and other public meetings. The Port hosted 50 public meetings on behalf of the Exploratorium project.</p> <p>Recommendation 3: The Port agrees that projects that require an amendment to the Waterfront Land Use Plan need to be highlighted for public review. Furthermore, the Port actively engages the public in review of these variances. Where this is known before the Port solicits development partners, the Port does conduct public process to directly address this need. The pre-RFP/P public planning efforts for Seawall Lot 337 and the Pier 70 Waterfront Site were designed specifically to engage public input and guidance to define the project objectives and priorities prior to soliciting development partners. Even in non-RFP situations, such as the Golden</p>

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
	<ul style="list-style-type: none"> Recommendation 3: Proposed variances from the Plan should receive increased public scrutiny prior to the issuance of an RFP. 	Partially Agree	<p>development projects and non-maritime leases. The Port carries out additional public outreach with neighborhood groups and other stakeholders through presentations, workshops, surveys and solicitation of comments through the Port website for major community planning projects, such as the Blue Greenway, Seawall Lot 337 and Pier 70.</p> <p>Development concepts for most Port sites are discussed in Port advisory committee and Port Commission meetings before the developer selection process. Projects that emerge as sole source opportunities approved by the Board of Supervisors (such as the Exploratorium and the International Museum of Women) also are subject to review and discussion at Port advisory committee and other public meetings. The Port hosted 50 public meetings on behalf of the Exploratorium project.</p> <p>Recommendation 3: The Port agrees that projects that require an amendment to the Waterfront Land Use Plan need to be highlighted for public review. Furthermore, the Port actively engages the public in review of these variances. Where this is known before the Port solicits development partners, the Port does conduct public process to directly address this need. The pre-RFQ/P public planning efforts for Seawall Lot 337 and the Pier 70 Waterfront Site were designed specifically to engage public input and guidance to define the project objectives and priorities prior to soliciting development partners. Even in non-RFP situations, such as the Golden</p>

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
<p><u>Waterfront Land Use, cont'd</u></p> <p>Finding 4: The priority of the Port for development is to create an income stream for capital improvements rather than a determination of how best to enhance the quality of life for the residents of the City. Port revitalization has been enhanced in the past by adherence to the Waterfront Land Use Plan. Developments have provided local business opportunities, mixed housing where appropriate, stronger public transit options, maintenance of height and bulk limits, and preservation of view corridors. Some uses, however, both current and proposed, of Port land do not conform to the Waterfront Land Use Plan. Zoning and height limits have been changed by the Planning Department and the</p>		Disagree	<p>State Warriors' proposal for Piers 30-32 & Seawall Lot 330, the public process made clear from the outset that such projects would require amendments to both the Port's Waterfront Land Use Plan and to City zoning, in particular regarding project heights. Public comments and concerns regarding these amendment requirements received a high degree of public review and debate.</p> <p>Finding 4: The overarching priority of the Waterfront Land Use Plan, and therefore the Port, is to reunite San Francisco with its waterfront. The success of the Port and its partners in meeting this priority is clear: more than 24 million people visited the waterfront in 2013 for employment, transportation, education, exploration, entertainment, recreation or simply to engage passively with the Bay.</p> <p>In the past 17 years, since adoption of the Waterfront Land Use Plan, the Port has realized more than \$1.6 billion of investments from both public and private dollars. These investments have enhanced the quality of life for residents of the City and the greater Bay Area, as well as garnered the City even greater international acclaim. Specifically, the following improvements have been realized as a result of the Waterfront Land Use Plan and public input, creating more value to the citizens of San Francisco than at any other time in the past century:</p> <ul style="list-style-type: none"> • More than 63 acres of waterfront open space, including 20 new parks

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
<p>Mayor's Office. There is a lack of transparency in development proposals, particularly in regard to input from the Mayor's Office and active involvement of former Mayoral staff advocating on behalf of developers, giving rise to concerns that an agreement had been reached prior to public input.</p>			<ul style="list-style-type: none"> 19 prized Port historic resources have been fully or partially rehabilitated consistent with federal or local historic standards, to meet modern seismic standards allowing the public to enter and enjoy these resources 7 derelict piers and wharves have been removed from the Bay (removal of Pier 64 is in progress) Up to 6.3 million square feet of new residential and commercial development and 22 new acres of waterfront open space are being planned jointly with the community for Seawall Lot 337 and Pier 70, to transform the Port's central and southern waterfront <p>The Waterfront Land Use Plan anticipated the need for public-private development partners to improve Port facilities in addition to public funds. The Port's 10-Year Capital Plan has advanced a more sophisticated understanding of Port capital needs that now supports a strategic approach to improve Port facilities. While the Port does strive to pursue projects that do not have to be subsidized, there is no stated priority for development. The development projects the Port has pursued have been effective means to repair Port properties and deliver public benefits, as well as Port revenue. All major development projects, whether or not the Office of Economic & Workforce Development has been involved, are thoroughly vetted in public meetings over many years before they may be approved by the Port Commission, Planning Commission, BCDC and Board of Supervisors. Multi-phase developments such as proposed for</p>

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
	<ul style="list-style-type: none"> Recommendation 4a: The Port should immediately begin an assessment and update of the Waterfront Land Use Plan, to be renamed the Waterfront Maritime and Land Use Plan to meet current and future requirements for Port development. This should be completed and adopted in a relatively short time span of one to two years. 	Partially Agree	<p>Seawall Lot 337 and Pier 70, undergo extra public planning process before soliciting development partners. In both cases, meetings were held to discuss the scale of adjacent development in Mission Bay and Dogpatch respectively and the potential for height increases. From the outset, the public knew that both of these projects would require amendments to the Waterfront Land Use Plan. City zoning and possible other Planning Commission controls. The Port's planning and community engagement efforts are framed specifically to maximize transparency.</p> <p>Recommendation 4a: While the successes are many, the Waterfront Land Use Plan is a living document that must strive to improve and adapt. On August 11, 2014, Port staff issued an initial report to the Port Commission and public that presents an assessment of projects, activities and public discourse over the 17 year life of the Waterfront Land Use Plan. It seeks to surface new ideas and concepts that might be woven into the Waterfront Land Use Plan. The Port staff analysis in this report grapples with the highest level set of issues, including uses of the port area, historic rehabilitation, open space, waterfront development, urban design, transportation, sea level rise and public process, including preliminary recommendations in each of these areas.</p> <p>These recommendations are offered to the public, the Port Commission, the Board of Supervisors and the Mayor in the spirit of keeping the Waterfront Land Use Plan as relevant today as it was when it</p>

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
	<ul style="list-style-type: none"> Recommendation 4b: The Port should ensure that changes or variances to the existing Waterfront Land Use Plan or the City's General Plan should have extensive public input before implementation. 	Agree	<p>was adopted, and responsive enough to successfully guide the next generation of waterfront improvements. The Port welcomes public comment on these recommendations through September 30, 2014; Port staff will finalize this report in October 2014 as the 2014 Waterfront Land Use Plan Review.</p> <p>Recommendation 4b: As stated in responses to Recommendation 3 and Finding 4 above, and in responses to Recommendation 9b and Finding 10, below, all Port development projects undergo a robust public review and vetting process, particularly those that require amendments to the Waterfront Land Use Plan and City General Plan.</p>

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
<p><u>Transportation</u></p> <p>Finding 5: Further development along the waterfront will add new transportation requirements. Transportation along the waterfront does not meet current needs. Portions of the Embarcadero are closed during cruise ship arrivals and events at AT&T Park. Emergency vehicles sometimes use the light rail right of way to circumvent traffic even when there is no major activity on the Embarcadero. San Francisco Municipal Transportation Agency master plan does not directly address development on Port lands.</p>		Disagree	<p>Finding 5: Since 2002, the Port has worked in close coordination with the San Francisco Municipal Transportation Agency (SFMTA) and the San Francisco County Transportation Authority to improve transportation access to and along the waterfront, integrated with City and regional transportation planning and investments. An Embarcadero Transportation Task Force was created in 2002 to advance transportation analysis and improvements. Continued collaboration supported transportation planning for the 34th America's Cup, as orchestrated by SFMTA in the America's Cup People Plan. The experience and management capabilities gained through those efforts are now being applied to the Waterfront Transportation Assessment (Assessment). The Assessment coordinates transportation and land use planning and identifies transportation options that respond to current use and future growth conditions. The Assessment includes specific focus on planning transportation improvements for major Port development projects. The Port also is working with SFMTA to sponsor the Embarcadero Enhancement Project, to develop a concept design for a protected bikeway to improve pedestrian comfort, safety, and the public realm.</p> <p>With respect to congestion on The Embarcadero roadway by cruise ship calls, the Pier 27 James R. Herman Cruise Terminal will open in September 2014. One of the key objectives for locating the</p>

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
	<ul style="list-style-type: none"> Recommendation 5: SFMTA should incorporate current and future transit needs, taking into consideration not only increased capacity requirements from individual projects, but the cumulative effect of multiple projects added to existing passenger loads. SFMTA must address reliability and increased capacity that will be required for all modes of transportation, especially the T-Line and motor coach lines connecting to the Pier 70 site. The VETAG system should be maintained to operate at maximum efficiency. 	Agree	<p>project at Pier 27 is to create a Ground Transportation Area on the pier, to move ship support, passenger loading, bus, taxi and car parking off of The Embarcadero.</p> <p>Recommendation 5: While this recommendation is not directed to the Port, the Port notes that the Port and SFMTA have partnered with extraordinarily close coordination and thoughtful planning over the last four years. The successes of this partnership are many and have been enjoyed by the 23 million people who visited the Port's waterfront in 2013 alone. Without careful management by the SFMTA and the Port, the priority for reuniting San Francisco with its waterfront would not be realized. The efforts of this partnership with respect to the 34th America's Cup and proposed development projects are well known. Additionally, the Port and SFMTA have partnered in addressing transportation issues in numerous locations, including at the Ferry Building, Fisherman's Wharf, the James R. Herman Cruise Terminal and along Cargo Way, Terry Francois Blvd. and Illinois Street.</p>
<p><u>Cruise Ship Terminal</u></p> <p>Finding 6: When it becomes operational, the Cruise Ship Terminal at Pier 27 is projected to be severely underutilized. This is because federal law, namely the Passenger Vessel Services Act of 1886, prohibits foreign-flagged</p>	<ul style="list-style-type: none"> Recommendation 6: The City should immediately begin lobbying for modifications to the Passenger Vessel Services Act of 1886 to allow foreign-flagged vessels easier access to the City as a pilot program. This lobbying effort should be in 	Partially Agree	<p>Recommendation 6: The Port was a founding member of the "Cruise America" coalition of U.S. West Coast Ports and other tourism interests who, in 1998, sought a legislative exception of the Passenger Vessel Services Act (PVSA). This effort gained support in Congress under the leadership of Senator John McCain (R-AZ), then chairman of the Commerce</p>

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
passenger ships from calling on two U.S. ports without an intervening foreign port. This Act greatly restricts the use of the newly built Cruise Ship Terminal. The Port estimates that the use of the terminal would increase from the current 50 visits per year to 150 visits if the Passenger Vessel Services Act of 1886 were amended or the Port were granted an exemption for a pilot program. It is also estimated that there is between \$750,000 and \$1 million economic benefit to the City from each docking. This includes ship provisioning, tourism, berthing fees and tugboats.	conjunction with other U.S. passenger port destinations including those in Alaska, Hawaii, Oregon, and Washington.		<p>Science and Transportation Committee. Senator McCain led the legislative effort in congress by sponsoring the United States Cruise Tourism Act which would allow foreign oceangoing passenger ships to serve multiple destinations along U.S. Coasts while protecting U.S. based companies.</p> <p>This 1998 effort to modify the PVSA encountered fierce opposition from some segments of organized labor, including unions that represented employees of other Port maritime tenants. While theoretically an exception to the PVSA could provide additional work for land based maritime unions, other unions representing seafaring workers feared that granting exceptions or weakening the PVSA would irrefutably harm the nation's shipbuilding and merchant marine industry. Ultimately the bill did not gain traction and the effort was shelved.</p> <p>Ironically, the cruise industry is not advocating any change to this law. Cruise lines, through their International Association, think that while a reformed PVSA might add some new U.S. ports to cruise itineraries, it would not be a significant amount, especially in light of the restrictions that likely would be attached.</p> <p>Rather than lead the charge to modify the PVSA, the Port believes a better strategy is to continue to monitor possible legislative developments for exemptions or modification of the PVSA and work through the American Association of Port Authorities (AAPA), the industry's leading trade association, for any effort to alter current law.</p>

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
			<p>AAPA's members include every cruise port in Canada, Central and South America and the Caribbean. AAPA has openly supported legislation to permit non-U.S. flag cruise ships to operate on the U.S. coastwide trade where there is no large U.S. flag cruise ship in service. AAPA staff work regularly with members of Congress and monitor legislative efforts that impact the port industry. The Port actively serves on the AAPA Cruise committee and believes that it would be more effective to join a wider effort to gain possible legislative exception. This strategy will use the collective power of the U.S. cruise port industry, thus not singling out San Francisco. This strategy will likely ensue over a 2 year period.</p>
<p>Pier 30-32</p> <p>Finding 7: Under the 2012 GSW proposal, the Port would not have received rent from the leasing of Pier 30-32 to GSW for the next 66 years. Property tax revenue associated with the IFD that was to be established would have been used to repay the IFD bond for the next 30 years.</p> <p>In contrast, if the Port simply sells Seawall Lot 330 to a third party for development, all of the property tax resulting from said development would go into the City's General Fund.</p>		<p>Partially Agree</p>	<p>Finding 7: The Port Waterfront Land Use Plan designates Piers 30-32 and Seawall Lot 330 as a mixed use development opportunity site, and allows maritime, commercial, public assembly and entertainment and public open space uses at Piers 30-32, but a sports facility would have required a Waterfront Land Use Plan amendment. The housing and hotel mixed uses proposed on Seawall Lot 330 by the Golden State Warriors (GSW) are allowed in the Waterfront Land Use Plan. The public process provides the public forum for considering whether the merits of a project support an amendment to the Waterfront Land Use Plan, which included for review and recommendation by the Piers 30-32 CAC. BCDC was conducting its own review to assess whether the GSW project would</p>

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
Furthermore, the Warriors' arena project conformed neither to the guidelines set forth in the SF Waterfront Special Area Plan (issued by BCDC) nor to the Waterfront Land Use Plan.	<ul style="list-style-type: none"> Recommendation 7: The Port should consider alternatives to fund the cost of rehabilitating Piers 30-32. The sale of Seawall Lot 330 could supply a large portion of \$68 M needed to strengthen the substructure for light use. The Jury recommends that the Port actively investigate alternative light uses for Piers 30-32. In addition to general park usage, sports fields for soccer, tennis, basketball, or other sports could be provided. <p>Temporary venues for entertainment companies such as Teatro ZinZanni, Cirque de Soleil, and Cavalia would also not require an extensive substructure. Although not light use, the Port might also consider placement of a major marine research institute to fully utilize the unique characteristics of this site.</p>	Agree	<p>have required an amendment to the San Francisco Waterfront Special Area Plan. The GSW proposal for Piers 30-32 was abandoned before BCDC had completed that review and before the CAC reached any recommendation.</p> <p>Recommendation 7: The structures atop Piers 30-32 were destroyed by fire in 1984. Since that time, the Port has continued to analyze alternatives to rehabilitate Piers 30-32, including both public and private investments. The Golden State Warriors proposal represented the 6th proposed rehabilitation since the 1980s.</p> <p>Subsequent to the decision of the GSW not to pursue Piers 30-32, Port staff has analyzed alternatives such as general park usage, sports fields, cruise berthing, etc. Such analysis is published more completely in an August 7, 2014 Memorandum to the Port Commission. Any permanent change in use resulting in an increase in the volume of public users must consider major rehabilitation including a seismic upgrade. The total cost of a substructure rehabilitation including seismic strengthening will depend on the type and size of these improvements and is expected to be around \$100 million.</p> <p>Temporary uses or events lasting 180 days or less are acceptable. However, they must consider structural load limits currently in place.</p> <p>The construction of a major marine research institute will likely trigger a major rehabilitation</p>

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
<p>America's Cup</p> <p>Finding 8: The 34th America's Cup was a major monetary loss to the City's taxpayers to the tune of about \$6 million and a major loss to the Port of about \$5.5 million in unreimbursed Port expenditures. The City and the Port subsidized the America's Cup at taxpayers' expense. The City received no direct revenue from the 34th America's Cup event in the form of revenue sharing or venue rent. In negotiating event and/or development agreements at the waterfront, the City and Port does not seek to make a profit from the deal but is simply looking to recover its costs and break even.</p>		Partially Agree	<p>effort including seismic strengthening. The project cost of building such a facility will require further analysis and study.</p> <p>Finding 8: The Port and the City did invest money into the hosting of the America's Cup (Event). Much of this investment was offset by revenues generated by the Event itself and from fundraising by the America's Cup Organizing Committee. As reported quarterly to the Port Commission throughout 2013, 87% of the money invested by the Port to support the Event was invested into Port infrastructure and facilities to increase their useful life by as much as 30 years. The benefits of these investments far outlive the duration of the Event and will accrue to a new generation of residents and visitors along the waterfront. Significant investments included rebuilding of the apron at Pier 19 for public access, removal of Piers 36 and Pier 1/2, and structural repairs to critical marginal wharves (i.e., the deck structures that connect the piers to the upland shore area).</p> <p>For the Event itself, more than 1 million people attended the Event over the course of two summers, and it was televised repeatedly in 130 countries worldwide, bringing significant attention and acclaim to San Francisco and the Bay as well as hundreds of millions of dollars in economic benefit.</p>
	<ul style="list-style-type: none"> Recommendation 8a: All major events at the Port, like 	Agree	<p>Recommendation 8a: Indeed, all major events at the Port, like the 34th</p>

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
	<p>the America's Cup, must be approved by the Port Commission and the Board of Supervisors.</p>		<p>America's Cup, are approved by the Port Commission and the Board of Supervisors. The Port Commission held 39 separate hearings to publicly review, comment and vote on the activities of the 34th America's Cup from March 2009 through September 2013. This included 16 informational presentations and 23 approval requests submitted for Port Commission consideration and action.</p> <p>Similarly, the Board of Supervisors also held 31 hearings to publicly review, comment and vote on activities of the 34th America's Cup from April 2010 through October 2013. The hearings pertained to activities of the 34th America's Cup including, but not limited to, the (1) Host and Venue Agreement, (2) Final Environmental Impact Report and Mitigation Monitoring and Reporting Program, (3) MOU with the Port, (4) America's Cup Workforce Development Plan, (5) budget appropriation ordinances, and (6) Lease Disposition Agreement. Of these 31 hearings, 16 were hearings before the full Board of Supervisors and 15 were committee hearings including 12 before the Budget and Finance Committee and subject to review and report by the Budget Analyst to the Board of Supervisors.</p>
	<ul style="list-style-type: none"> Recommendation 8b: Prior to approval, the City should require a validated cost proposal using fair market rental rates, revenue sharing with the Port, marquee billing for the City, full post-event accounting, and 	Agree	<p>Recommendation 8b:</p> <p>The analysis that Port staff provided to the Board of Supervisors for its initial approval of America's Cup agreements was intended to provide a detailed quantitative and qualitative analysis of the prospective regatta as was known at the time. Port staff briefed the Port Commission on an ongoing</p>

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
	<p>posting of all event financials on the Port website within one month after completion of the event. Said report shall include an itemization of:</p> <ul style="list-style-type: none"> o The amount and source of all revenue generated by the event. o The amount, payor, and payee of each cost incurred for the event. o The name of each event cancelled, if any, as a result of the approval of the event and the amount of revenue lost as a result of the cancellation. 		<p>basis as more facts of the regatta and the projected outcomes were known. In responding to future unique waterfront opportunities the public and the Port Commission should expect a thorough analysis of the opportunity and the expected impact on public use and enjoyment of the waterfront as well as operating and capital costs.</p> <p>With respect to marquee billing, the City and Port required the America's Cup Event Authority to optimize the association of the City with the Event, recognizing the value and global reach of Event media coverage. The Port aggressively asserted its rights to accelerate part of the Cruise Terminal project schedule so that the "Port of San Francisco" sign atop it was installed prior to the start of racing and thus captured in international broadcasts that aired repeatedly in 130 countries worldwide. Physical signage in camera shots is the most valuable form of advertising, as superimposed digital imagery must be removed prior to rebroadcast in most countries.</p>
<p>Pier 70</p> <p>Finding 9: The Port does not have an official policy governing the process for proposed development projects. Many projects are moved ahead with minimal community input, often in the form of a quick review by the CAC and Planning Department then forwarded to the Board of Supervisors for final</p>		Partially Disagree	<p>Finding 9: The Port DOES have an official policy for proposed development projects. The Waterfront Land Use Plan, adopted and implemented by the Port Commission, calls for an extensive public review process prior to the leasing and development of port property. The Port has established advisory committees in each waterfront subarea to hold public meetings and provide regular public forums for the review process. Over the 17 year period the</p>

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
<p>approval.</p> <p>The Pier 70 Master Plan was developed with significant community outreach to both the general public and affected neighborhood associations. The Plan represents a balance of community needs and the requirement of the developer to obtain a reasonable return on investment.</p>	<ul style="list-style-type: none"> Recommendation 9a: The Port should ensure ongoing community input be maintained until an acceptable compromise is reached on the final plans. 	<p>Agree</p>	<p>Waterfront Land Use Plan has been implemented, Port staff has always worked closely with the affected communities and key stakeholders. During this time, a handful of unsolicited proposals have been made to the Port, such as the Exploratorium project, and Port staff has worked to incorporate them into the public review process outlined in the Waterfront Land Use Plan. In the case of the Exploratorium, this resulted in 50 public meetings on the project. Often such proposals have an early Board of Supervisors hearing to address appropriateness of the project and sole source waivers. While occasionally projects commence at different starting points along the process continuum, all projects ultimately adhere to the process prior to final project adoption.</p> <p>Recommendation 9a: The Port and its developer will continue to solicit public input until final adoption of the project by the Port Commission and the Board of Supervisors. The Port will continue to solicit feedback from the public through meetings of the Central Waterfront Advisory Group, as well as through items before the Port Commission, the Planning Commission, BCDC and ultimately the Board of Supervisors. The developer has implemented an extensive community outreach program since development rights were awarded in April 2011. Additionally, the developer has placed a measure before the San Francisco electorate for the November 2014 election seeking public approval of its proposed project heights.</p>

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
	<ul style="list-style-type: none"> Recommendation 9b: The Jury neither supports nor opposes the development of Pier 70 but we strongly endorse the extensive public outreach and community input as part of the design and development process of the Pier 70 Master Plan. We recommend that the Port follow this model as a template for all major developments on Port lands. 	Agree	<p>Recommendation 9b: The Port Commission established the development parameters for the Waterfront Site, authorized a developer qualifications solicitation process, and on August 30, 2010, the Port issued the Pier 70 Waterfront Site Request for Qualifications.</p> <p>On April 17, 2011, after a public hearing the Port Commission awarded development rights to the waterfront site to Forest City. That action, awarding the development opportunity to Forest City, began a process of defining a project for the Waterfront Site and the development concepts envisioned in the Master Plan and the RFQ. After selection Forest City began an extensive community outreach program.</p> <p>This extra level of planning work was required to address numerous conditions specific to Pier 70, to determine whether there was a viable economic strategy that had community support to save its historic resources and allow sufficient development capacity to pay for new infrastructure, environmental improvement and new public open space, while maintaining compatibility with continued ship repair operations. Single phase development sites, such as those that have been improved to date in the northern half of the waterfront, are more straight-forward development opportunities. While every development opportunity must undergo thorough public review, not every project will require the steps that were conducted for the Pier 70 Preferred Master Plan.</p>

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
			<p>Pier 70 is a shining example of the process. The complexity and scope of issues that needed to be addressed for this 68 acre site dictated the need to spend substantial Port funds for a consultant team to assist the development of the Pier 70 Preferred Master Plan.</p> <p>The Port initiated the community planning process to develop a Pier 70 master plan in late 2006. The effort required economic, historic, urban design, and engineering consultant analysis. The three-year public planning process was extensive, involving 7 Port Commission hearings, Central Waterfront Advisory Committee policy discussions and over 70 public workshops and community presentations to incorporate insights and comments from the City's diverse stakeholders. The Port staff worked with a consultant team to address the complexities of adaptive reuse and infill development at Pier 70.</p> <p>The historic consultant researched Pier 70's historic buildings and prepared the report to nominate the Union Iron Works Historic District at Pier 70 for listing on the National Register of Historic Places. In addition, the Port worked closely with sister City agencies, as well as key state and federal agencies with jurisdiction over development within Pier 70.</p>
<p><u>Mission Rock</u></p> <p>Finding 10: Although the development of Pier 48 and Seawall Lot 337, also known as Mission Rock, began in 2007, there has been insufficient</p>		Disagree	<p>Finding 10: This project has been the subject of more than 50 public meetings during the past 7½ years.</p> <p>The Port has engaged in an extensive and robust</p>

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
<p>information and involvement for community groups, neighborhood and merchants' associations, and residents potentially affected by this project.</p>			<p>public process in planning the Seawall Lot 337 and Pier 48 sites. This process began in January 2007 and is still ongoing, 7½ years later. This process included: 1) an 18-month planning phase in which Port staff and Commissioners directly solicited planning and use ideas from neighbors and stakeholders; 2) an 8-month RFQ phase when the Port solicited development concepts and engaged in public review and dialogue about the submittals; 3) a 13-month RFP phase when the Port received development proposals and solicited public comments; and 4) a 5-year project redevelopment phase which is still ongoing and includes public input through outreach to neighborhood groups, regular updates to the Port's advisory groups, as well as public hearings at the Port Commission and Board of Supervisors.</p> <p>This process has utilized many innovative techniques to solicit public input including: 1) direct involvement of Port Commission members in the community planning process, 2) a prominent and representative public Advisory Panel, 3) a 2-step solicitation process that included numerous public meetings with recordation of public comments, and 4) graphic recordation of comments from the public. This process has resulted in a stable development proposal that still responds to public input from the 2007 planning process. The public outreach conducted for this project is described in more detail below.</p> <p>SWL 337 Planning Process Overview • The Port Commission established a Committee of two</p>

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
			<p>Commissioners to convene a series of public meetings to address the planning and development of SWL 337. This Committee presided over 7 public workshops during 2007. The full Port Commission held 2 additional public hearings prior to the Port Commission's authorization to issue an RFQ.</p> <p><i>RFQ & RFP Process</i> • In October 2007, the San Francisco Port Commission initiated a two-phase developer solicitation process for SWL 337. The Port Commission also created a public advisory panel, to lead public review of the developer submittals, and make recommendations for consideration and action by the Commission. The SWL 337 Advisory Panel consisted of City and community stakeholders, with knowledge and expertise in economic development, environmental protection, urban and architectural design, neighborhood and citywide policy and community interests. The Port also created a space on its website where the public could provide comments on the solicitations.</p> <p>Four development teams responded to the first-phase Request for Qualifications (RFQ), which included a request for draft development concepts for the SWL 337 site. The 4 respondents presented their development qualifications and development concepts at the February 26, 2008 Port Commission meeting, and at an all-day public workshop on March 1, 2008. These meetings were widely noticed and structured to engage a high level of public review and comment, and direct dialog with the development teams. The Port also received</p>

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
			<p>comments from the public via the Port's website, letters, and the Port's Central Waterfront Advisory Group. All public comments were shared with the SWL 337 Advisory Panel and available to the public. The Port Commission held 2 additional Commission meetings to hear from the Advisory Panel and the public before teams were selected by the Commission to respond to the second-phase Request for Proposals (RFP).</p> <p>At the February 10, 2009 Port Commission meeting, the 2 short-listed developers presented their development concepts for the project. The SWL 337 Advisory Panel took the lead in evaluating and making recommendations to the Port Commission regarding the responsiveness of the developers' proposals. The Port received and considered substantial public comment including at the February 10, 2009 Port Commission meeting, March 11, 2009 Central Waterfront Advisory Group (CWAG) meeting, and the March 18, 2009 public workshop on the developer's proposal. In addition, many written comments were received and considered through the Port's web page. Summary of all public comments were included in the record for the Port Commission consideration when awarding the development opportunity to Mission Rock.</p> <p><i>Project Predevelopment Process</i> • Since selection of the Mission Rock development team Port staff has collaborated with the developer on public outreach efforts. The Port, City and the developer have visited the following community groups with</p>

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
			<p>detailed Project briefings:</p> <ol style="list-style-type: none"> 1. Maritime Commerce Advisory Committee 2. Central Waterfront Advisory Group 3. Mission Bay Community Advisory Group 4. Southeast Waterfront Advisory Council 5. Bay Conservation and Development Commission (staff) 6. State Lands Commission (staff) 7. Chamber of Commerce 8. Bayview Builders 9. Rincon/South Beach Neighborhood Group 10. Potrero Boosters 11. SF Housing Action Coalition Endorsement Committee 12. SF Bike Coalition (informal) 13. SPUR (informal) 14. San Francisco Parks Alliance 15. Individual neighbors and business owners 16. SPUR formal lunchtime session as part of Port portfolio series 17. SPUR Project Review Committee <p>In addition to these presentations and meetings, the Project team held a well-attended public design workshop and multiple open house meetings with members of the community to discuss proposed land use including review of several bulk and site massing alternatives. This outreach effort is a productive, ongoing process that has helped shape the Project over time.</p>
	<ul style="list-style-type: none"> • Recommendation 10: The Jury recommends increased publicity and outreach so that an 	Agree	<p>Recommendation 10: The Port, City and the Mission Rock developer will continue an ongoing, robust public outreach</p>

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
	acceptable compromise can be reached on the scope of this development.		program to advisory and regulatory bodies and to community groups, neighborhood and merchants' associations, and residents potentially affected by this project. Additionally, the Port Commission and the Board of Supervisors will continue to hold public hearings on this project which can be viewed on SFGovTV at any time. Port staff will continue to publish staff memorandums regarding this project which are available to the public through the Port Commission secretary or on the Port's website at http://sfport.com/index.aspx?page=25 . This project will also undergo environmental review per CEQA, which is a robust process open to the public. This project will also be submitted to the San Francisco electorate to review the project's proposed building heights. The Port further expects that many media organizations also will continue to cover this project for the benefit of the public.
<u>Financing of Capital Improvements</u>			
Finding 11: Although State Law does not require voter approval for the issuance of Port IFD Bonds, voter approval yields greater public awareness of the costs of proposed Port developments.		Disagree	Finding 11: State Law allows the formation of Infrastructure Financing Districts on Port property to enable funding of new infrastructure and the uniquely high costs of developing the waterfront. Property tax increment financing is a standard form of publicly financing for publicly-owned improvements. In most states that use this form of financing, voter approval is not required, because IFDs do not <u>increase taxes</u> . Instead, they leverage planned private investment in order to produce higher property taxes without increasing tax rates.

PORT OF SAN FRANCISCO RESPONSE MATRIX

CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
	<ul style="list-style-type: none"> Recommendation 11: The Jury recommends that the Port Commission work with the Board of Supervisors to place a referendum before the voters that asks for approval to issue IFD Bonds. Such a referendum should specifically state the total amount of bonded indebtedness that the Port seeks to incur through IFD 	Disagree	<p>IFDs on Port property can fund improvements to address sea level rise, to remediate historic contamination of Port property, to install piles and fix the seawall, and to rehabilitate historic resources. Pursuant to the adopted Board of Supervisors policy for Port property, the Board may form IFDs on Port property to address capital needs identified in the Port's 10-Year Capital Plan, which is developed through the City's formal capital planning process – itself a very public process. Port IFDs are repaid through new property tax increment generated from Port property. In most cases, without the use of IFD tax increment, many areas of the Port are too expensive to redevelop and thus no new taxes would be generated.</p> <p>Major planned Port development at Seawall Lot 337 and Pier 70 already faces a requirement for a public vote to establish required heights. Since IFDs cannot be formed until after CEQA is complete, the Civil Grand Jury's recommendation would essentially require two major public votes for these projects, separated by many years.</p> <p>Recommendation 11: As described above, under the Board of Supervisors' policy enabling the Port to create an IFD tax increment district, expenditures are restricted to infrastructure improvements that have been approved in the Port's 10-Year Capital Plan and have CEQA clearance. These processes, independently, include lengthy, thorough public review. Further, since IFDs cannot be formed until after CEQA is complete, this recommendation</p>

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CG JURY FINDING	CG JURY RECOMMENDATIONS	PORT RESPONSE	PORT EXPLANATION
	Bonds, the specific sources of funds for IFD Bond repayment, and the length of time required to discharge any IFD Bond debt.		<p>would essentially require two major public votes for these projects, separated by many years.</p> <p>IFD tax increment generated by these projects that is not required to pay for new public infrastructure to support these neighborhoods is likely to be an important source of funding to address the Port's seawall and projected sea level rise – again without raising taxes.</p> <p>Where taxpayers are being asked to pay for improvements to Port property through financing vehicles such as General Obligation Bonds – to pay for parks, as an example – Port staff agrees that voter approval is the right (and legally required) approach.</p>

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SAN FRANCISCO PORT COMMISSION

**SEPTEMBER 23, 2014
MINUTES OF THE MEETING**

MEMBERS, PORT COMMISSION

HON. LESLIE KATZ, PRESIDENT

HON. WILLIE ADAMS, VICE PRESIDENT

HON. KIMBERLY BRANDON

HON. MEL MURPHY

HON. DOREEN WOO HO

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**MONIQUE MOYER, EXECUTIVE DIRECTOR
AMY QUESADA, COMMISSION SECRETARY**

CITY & COUNTY OF SAN FRANCISCO PORT COMMISSION

MINUTES OF THE SPECIAL MEETING SEPTEMBER 23, 2014

1. CALL TO ORDER / ROLL CALL

Port Commission President Leslie Katz called the meeting to order at 3:15 p.m. The following Commissioners were present: Leslie Katz, Willie Adams, Kimberly Brandon, Mel Murphy and Doreen Woo Ho.

2. APPROVAL OF MINUTES – September 9, 2014

ACTION: Commissioner Woo Ho moved approval; Commissioner Adams seconded the motion. All of the Commissioners were in favor. The minutes of the September 9, 2014 meeting were adopted.

3. PLEDGE OF ALLEGIANCE

4. ANNOUNCEMENTS – The Port Commission Secretary announced the following:

- A. Announcement of Prohibition of Sound Producing Electronic Devices during the Meeting: Please be advised that the ringing of and use of cell phones, pagers and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing of or use of a cell phone, pager, or other similar sound-producing electronic device.
- B. Announcement of Time Allotment for Public Comments: Please be advised that a member of the public has up to three minutes to make pertinent public comments on each agenda item unless the Port Commission adopts a shorter period on any item.

5. PUBLIC COMMENT ON ITEMS NOT LISTED ON THE AGENDA

6. EXECUTIVE

A. Executive Director's Report

- **San Francisco Fleet Week – October 6-12, 2014**

Monique Moyer - Thank you for coming and joining us today. I'd like to give special thanks to Toye Moses and all of the great staff here at the Southeast Community Center for hosting us. It's gorgeous out here, and it's a beautiful day. Thank you for having us.

It is just a privilege to be able to have Fleet Week back at the Port of San Francisco beginning in a couple of weeks. It's going to officially run from October 6-14, 2014. We will have the traditional Parade of Ships. The ship tours will begin from October 8-13 with tours in the afternoons from 1:00 p.m. to 4:00 p.m.

We will have ships at Piers 30, 32, Pier 35, Piers 15, 17 and Pier 19 and Pier 35. This will be the first Fleet Week that we've had a ship at the Exploratorium site and the first Fleet Week that we've had two ships at Pier 19. As you recall improving the Pier 19 south apron was part of our projects on behalf of our permits for the America's Cup, so we're excited to be able to put that apron to work.

Of course we'll again have the air show with the Navy Blue Angels, Sean Tucker and Team Oracle, The Patriots Jet Team, and Lucas Oil Air Shows. The practices will begin as usual, the Thursday before. The actual shows will take place Saturday, October 11 and Sunday, October 12 from 12:30 p.m. to 4:00 p.m.

This year, we have the privilege of being chosen at the port in which the U.S. Navy is commissioning their first new ship in quite a while, the USS America. That event will happen on Saturday, October 11, 2014 from 10:00 a.m. to 12:00 noon at Pier 30/32. It's supposed to be an incredibly touching ceremony as the crew men and women and their families come and be part of the official commissioning of the ship.

The Fleet Week Committee will again have a humanitarian village at Marina Green, and we encourage everybody to come out and see what the various military and civilian organizations are that can provide humanitarian aid around the world.

Then the Italian Heritage Parade will occur Sunday, October 12, 2014 as it always does in Fisherman's Wharf. It will run from Fisherman's Wharf to North Beach. So there will be a lot of activity for Fleet Week.

There are a lot more activities I didn't mention, so if you have an interest in seeing any of the special activities, you can definitely go on to sffleetweek.org.

- **James R. Herman Cruise Terminal**

I wanted to mention that last Thursday, September 18, 2014 we had a soft opening of the new James R. Herman cruise terminal welcoming the Crown Princess ship and trying out the brand new gangway that had been there barely a week. It was a fun day. It was not without its hiccups, as you can expect the first time you put a new engine in and drive it. There are a couple of little hiccups, but it was such a great day to welcome

everyone to our new cruise ship terminal. It was really fun to watch the passersby realizing that there was a ship there. The parked fencing had come down. Within an hour, we had bikers, dogs, passersby, and pretty much everything that came out to see the new park and the ship. I expect it to be a terrific place to watch Fleet Week.

We'll have a cruise ship in that weekend; one on Saturday and that Monday of Fleet Week. The cruise ship area will not be open to the public, but the park itself will be open for Fleet Week, so we're excited about that.

From September 18, 2014 through the end of the month, the new cruise ship terminal will have welcomed nine ships. We've had a ship in port every day this week. We're taking Friday off, and then we'll be back at it again on Saturday. I believe we're off Sunday and then back on Monday and Tuesday.

As you know, this is the time of the year when the Alaskan cruises are completing their runs and coming back down through our port, and we're extraordinarily busy. It's just been great and exciting to be able to use the new terminal, use the new gangway, which is very state-of-the-art. I hope you all get a chance to try it out. It's heated. It's air-conditioned. Enjoy the views and the incredible front lawn, which is a beautiful park that's out there. My kudos to a gazillion people, almost everyone in this room who made this project possible, and I thank you for that.

- **Fuel Spill**

Lastly, I wanted to report on something that's been in the news, which was a fuel spill from the Jeremiah O'Brien, one of our historical vessels at Pier 45 that occurred on the morning of Saturday, September 20, 2014. It occurred when fuel was being transferred from one tank on board to another tank on board.

The San Francisco Marine Unit quickly deployed some boom. The U.S. Coast Guard responded. The port's maritime folks responded, particularly Tom Carter of maintenance, as well as Sidonie Sansom and the Homeland Security Team plus our environmental specialists and Demetri Amaro, who is one of our U.S. Maritime Academy San Francisco grads that we hired after he served an internship. He had the pleasure of being the lead port representative and has done just a terrific job.

To the best of our knowledge, there was no real seepage. The slick was contained fairly quickly. I don't have a number on how many gallons, but the range is 10 gallons. We posted signs to alert people, but they still swam in Aquatic Park. Yesterday, my cousin was visiting from Denver and texted me a picture of her children who were standing next to the danger bio sign sopping wet. If you can't get your family to stay out of the water, I

don't know what you can do. Nonetheless, that's how it all unwound. My kudos to all the port staff and the San Francisco Marine Unit and the U.S. Coast Guard for handling it.

The Coast Guard has now turned the operation for cleanup back over to the ship, which is a great sign. It means that it's almost at its end.

B. Commissioners' Report

Commissioner Brandon - I would like to thank Commissioner Adams for giving us the idea to take the port on the road and to visit various communities. This is great, and it's a first in the history of the port. Since we deal with so much that affects San Francisco, it's such a wonderful idea that he took us on the road. We're really happy to be here at Southeast.

I also want to say that I had the opportunity to tour the new cruise terminal last week along with some of my fellow commissioners, and I am just so excited. The cruise terminal is just fabulous. We couldn't have asked for a better cruise terminal after trying for so many years. I'm just happy that San Francisco and the Port of San Francisco have a new cruise terminal.

Commissioner Murphy - I'd like to thank Commissioner Adams for the road show here. I don't think we do enough of that as far as promoting the port. Most people I know very little about the port and what happens down at the port or what really goes on at the waterfront other than a lot of tourists go there and there are good restaurants. If you have somebody in town here, you take them down there, you take them to Fisherman's Wharf and Pier 39 and all that other good stuff.

It's good having meetings in the neighborhoods, but how do we get people to attend the meetings, and how do we get it out there, all the things we do at the port? What a complicated department. I had no idea how complicated the port really was until I got on the Port Commission. It's one big wheel. There seems to be a lot of obstacles in the way of this big wheel. It takes us so many years to get what we want to do done; an average is eight years or something like that.

We do spend an awful lot of time probably in the process. I'd like to see more time spent on the product, getting it done. If there was more involvement with different communities throughout the city, that process could be probably cut in half, let's say four years instead of eight years. This is good. This is a start.

Commissioner Woo Ho - I'm very happy to be here today, and I think Mr. Murphy mentioned this is one step. We already talked about the fact that we have the Waterfront Land Use Plan that we do need to go out to a wider community, those that are connected to the waterfront as well as the rest of

the city because the rest of the city has opinions. Some of them don't have opinions, but should have opinions, and we need to do more outreach.

Coming out to the community is one step, but we need to find other ways to reach the communities throughout the city. We're still trying to figure out what those are. But the staff is hopefully thinking about it, whether we go through some of the supervisors in their town halls or other ways other than just hosting our own meetings because sometimes that's too much effort for people to come down to a specific meeting when they don't have a specific agenda item that they want to comment on. We have to find other ways.

We're very excited about the cruise ship terminal. A number of us took a tour last week, and it's beautiful and the fact that it's well thought out in terms of how things can move around and be reused for multiple purposes.

I want to thank the staff. I really appreciate the window at the end of the terminal, which was a comment that I made during the design phase. Hopefully everybody will get to enjoy that view on the second floor where there is a window instead of a wall.

Commissioner Adams - I'd like to thank the community and everybody for coming out here. It's good when you do things that goes against the culture of what you've always done. This is a good first step that we're engaging this community. I've been blessed to work with four great commissioners and that we've taken a lot of risk. I'm really glad that this is a first step.

Commissioner Katz - I too want to echo my thanks to the community for hosting us here. I want to thank Commissioner Adams for initiating this effort to move the port out into the community. This is our first stop, port on the road or commission on the road or commission on tour. Seriously, we are very excited that we'll be going out into the community. We really want to encourage community members to come and speak at the meetings, particularly when we're out in their neighborhood so that we can have a better sense of what the different communities want us to focus on and also learn about issues that we might not otherwise know about with respect to the port, and it's a great opportunity.

I'll echo the sentiments of Commissioner Adams. All of us really want to be available to the community and find out where we can be of service and continue to act in that capacity on behalf of the port.

The cruise ship terminal is extraordinary. I want to take a moment to thank all of the staff for the incredible work that they've put into that. I also took a tour the other day, and it is such a beautiful building. It's environmentally friendly; perhaps the most environmentally friendly cruise terminal in the world if I'm not mistaken.

We even recycle the gray water or the rain water as it comes onto the roof and use that for the gardens there. It's just an absolutely beautiful building and facility. I know so many people had a part in it and their hands in it from the staff. I know Commissioner Brandon has gone through so many iterations and efforts to try to get something done, and it really is phenomenal that we now have this terminal. The port pulled it off and did it. I want to also thank Executive Director Moyer because it was no easy feat to come in on time, I think on budget, mostly on budget.

Monique Moyer - It's on budget, I promise.

Commissioner Katz – It's on budget. It's quite a feat for anything, but for an Oedipus like we now have, it's real exciting. A friend of mine who has no connection to the port or the waterfront as he lives in Oakland said, "I know I live in Oakland, but I hate to say this. It's really beautiful, and I think everyone should start going there now." He had a point. He said it's really a spectacular building and a beacon, so I want to thank everyone for that.

Last, I want to report on an event that was held recently to honor Dr. Mimi Silbert, and I also want to thank Renee Martin for all of her efforts in putting that together. It was an outpouring from the community to honor a woman who was really visionary with respect to our waterfront. She moved Delancey Street, an organization that has saved so many lives by helping people take the path from hopelessness to hope and moving their lives to being productive.

She moved Delancey Street down to our waterfront when it was really a gamble to go down there. There was nothing there. Delancey Street heading in that area really served as a way of bringing so many others down and enlivening the area that it's now become such a desirable place to be. We've had our controversies with different sites down there. That's a good thing that people care about the area now, that they feel so invested in it. We really owe a great debt to Dr. Silbert not only for saving so many lives and for creating and working on a program that's had so much success; it's been expanded out of San Francisco and is now across the country, but also for bringing so many down to the port and the waterfront there and initiating those efforts.

It was a huge outpouring to honor her and her work and hundreds showed up to thank her for her work on behalf of the community and the port. It was a lovely evening, so thank you for that.

I don't know if we picked our next location for our going out into the community. But sort of a lesson I learned a long time ago is you start doing something, and the more you do it, the more people will fall into it. We really are sincere about having community members show up. Hopefully as the afternoon or evening progresses more, people will come join us and participate today as well.

I want to thank the staff because I know it's not easy to do a setup outside of our comfort zone. I've been to many a meeting here, and I know what it takes to get the meeting set up. I want to thank everyone for accommodating this as well, particularly, thank you to Toye Moses and the southeast facility for hosting us. It's a pleasure and a delight to be back.

- C. Resolution declaring that a bronze plaque honoring Dr. Mimi Silbert, Co-Founder, President & CEO of the Delancey Street Foundation, is installed at the Brannan Street Wharf and that a pathway at the entrance of the park is named in her honor. (Resolution No. 14-52)

Commissioner Brandon – I would like to recuse myself from voting on this item because Mimi Silbert does business with my company, Morgan Stanley.

Renee Dunn Martin, Public Relations Manager at the port – I, too, am very grateful and happy to be here at the southeast community facility. Thank you for having us.

At the suggestion of Port Commission President, Leslie Katz, Port staff requests the Port Commission to authorize the installation of a bronze plaque at the Brannan Street Wharf in honor of Dr. Mimi Silbert, Co-Founder, President and Chief Executive Officer of the Delancey Street Foundation.

Port staff further recommends that a pathway at the entrance of the Brannan Street Wharf Park on the Embarcadero Promenade be named in Dr. Silbert's honor.

The Delancey Street Foundation has been located on the San Francisco Waterfront since 1971, and they have been a port tenant in good standing for 43 years. The Delancey Street Foundation, often referred to as simply "Delancey Street", is a non-profit organization based in San Francisco that provides residential rehabilitation services and vocational training for substance abusers and convicted criminals.

Delancey Street reintegrates its residents into mainstream society by operating various businesses such as restaurants, catering and moving companies, all of which are wholly managed and run by the residents themselves. The foundation's methods have been widely praised and have been emulated internationally.

Although Dr. Silbert does not share the same background as her fellow residents, she lives at Delancey Street and abides by its rules. Her tenacious spirit and unlimited energy have built an organization unique in its entrepreneurial and self-governing structure. Her dedication in enacting her vision of an educational community of change has inspired residents to break their destructive cycles and take responsibility for themselves and others.

Dr. Silbert has garnered national and international attention for her achievement at Delancey Street, demonstrating her belief that the people who are the problem can themselves become the solution. In addition to significantly assisting substance abusers, ex-convicts, homeless and others who have hit the bottom, Dr. Silbert also devoted her energy to benefitting the port as its waterfront in a unique and lasting manner.

Dr. Silbert was among the first to venture into a forgotten sector of the waterfront, then characterized by dilapidated and underused buildings, bringing with her a major investment in the port seawall lots 331 and 332 located between Brannan and Townsend Street as well as economically vital to the area, which had once been a beehive of the shipping industry.

She did that with the Delancey Street clients, and Dr. Silbert also gambled on the port's central waterfront when no one else would, becoming the catalyst for what we know today as South Beach. She brought with her a sense of community that grows and blossoms larger with each year.

Dr. Silbert was an original member of the Redevelopment Agency of South Beach and Rincon Community Advisory Committee serving over 30 years. She was also a member of the port's Bryant Street Peer Advisory Group during the port's pursuit of a new cruise terminal complex at Piers 30/32 with developer Land Lease, Inc. As such, Dr. Silbert was instrumental in the port's development of a vision for the Brannan Street Wharf public open space serving as a CAC member and an expert on South Beach neighborhood issues. Many of the Brannan Street Wharf's attributes that are mostly loved by the public came from suggestions by Dr. Silbert.

As a tribute to the outstanding work and accomplishments of Dr. Silbert, the Port of San Francisco proposes to install a permanent bronze plaque and name a pathway in her honor at the Brannan Street Wharf located across the street from Delancey Street Foundation on the Embarcadero Promenade between Piers 30/32 and Pier 38. Brannan Street Wharf has a plaza space nearby to the Delancey Street Foundation that we believe would be an appropriate location for recognition as a pathway acknowledging Dr. Silbert.

If approved by the Port Commission, staff would design and install an 18 by 24 inch bronze plaque for Dr. Silbert to be located at the entrance of the lawn at the Brannan Street Wharf. The cost for production of the bronze plaque is approximately \$5000. The plaque will be maintained as part of the Port's general maintenance of the Brannan Street Wharf.

If approved by the Port Commission, the proposed copy on the plaque would read, "In honor of Dr. Mimi Silbert for her vision and leadership of the Delancey Street Foundation where pathways to recovery have saved lives and transformed the justice movement and for being a pioneer of the South Beach neighborhood by developing Delancey Street at a time when it was a

forgotten sector of the waterfront, San Francisco Port Commission, September 23, 2014."

Port staff recommends that the Port Commission approve recognition of the significant work of Dr. Mimi Silbert on behalf of disadvantaged individuals and on behalf of the Port and its waterfront. Port staff further recommends that such recognition be memorialized in a plaque placed on the Brannan Street Wharf and that the entrance of the Brannan Street Wharf be named in honor of Dr. Mimi Silbert.

Christine Pelosi - I've been a volunteer at Delancey Street for the past 25 years as a volunteer, teacher and trainer of some of the residents. As most of you know about Delancey Street, the foundation is run entirely by residents. There's only one non-resident, and that is Dr. Mimi Silbert. Everybody else is either a volunteer or somebody who is going through the program.

I grew up with Delancey Street in my family perhaps like some of you. Holidays weren't the same unless you had a Delancey Street Christmas tree in your house. Special occasions were marked by going to the Delancey Street Restaurant, first on Fulton and then Union Street and then to the port when the curb cuts weren't even there yet. It was really a labor of love to do the food testing as the raw sewage was floating by. Nevertheless, we persevered. The Port has been a special part of the Delancey Street story and has played a hand in saving every one of those over 20,000 people who have gone through Delancey Street, 500 at a time, but really one at a time.

The late James Herman was President of the Port Commission and head of the ILWU, Commissioner Adams' union. He spent his final days in the care of the residents at Delancey Street and was so much a part of the family that he had his own table in the restaurant, a little engraving when you first go into the right; you can see the James H. Herman table place setting there.

It's significant that we have a pathway named for Mimi Silbert because of the pathways of hope that she has given so many people. It's significant that we're here in the community to have this request put forth to the commission because we have such a social justice and racial justice element to the work that she does.

San Francisco is 6 percent African-American, yet our jails are 56 percent African-American defendants, and we need to change that. We need more programs like Delancey Street to help people turn their lives around so that rather than being residents of the criminal justice system, they are residents of pathways and homes like Delancey Street.

We have tremendous community support for this including supporters of Delancey Street who are interested in helping raise the funds for the plaque

itself. I would respectfully request that the Port Commission adopt the staff recommendation and name the Dr. Mimi Silbert pathway.

Commissioner Katz - It's somewhat fitting that as we just discussed the opening of the Jimmy Herman terminal where Jimmy spent his last days at Delancey Street, so there's some circle of life concept there.

Commissioner Adams - I appreciate the comments of Sister Pelosi. A lot of people don't know that at one time, Delancey Street was up in Pacific Heights. The residents didn't want it up there. It was the gang of five - Mimi, Jimmy Herman, John Burton and Leroy King, who took it down to the waterfront. At that time, Jimmy was the President of the Port Commission. Leroy King was on the Redevelopment Agency. Everybody knew John Burton and Mimi.

They all came together, and they worked as one, and they made it happen. It's funny that sometimes people can say, "We support you." Support is kind of a shallow word. They were committed. A commitment is more important than somebody telling you they can just pat you on the back and say they support you. They were totally committed.

Christine is right. Mimi and her work in that group, they were the old-timers. They understood it. They were engaged. They love San Francisco. They love the port. Mimi is a living icon, and she deserves this. We always say nice things about people when they pass on. We give people flowers. They can't smell them. They can't hear the words. She deserves this honor while she's alive, and she needs to know the outpouring and the love that she has from people because in her life, she has made a difference. She gave back more than she ever got. I'm totally in support of it.

Commissioner Murphy - I echo Governor, I mean Commissioner Adams's comments. I did a little research on Dr. Silbert, and I had heard of her and known her over the years from a distance, but I never personally met her until a week and a half ago. Commissioner Brandon introduced me to her at the reception in at the Ferry Building.

I do believe Dr. Silbert deserves this honor. If she had been part of that program, being a part of that 12-step program, if she had been one of the people, I wouldn't have been able to support her but she was not. She was a counselor. She was not in a 12-step program as far as I understand. So she is definitely entitled of this honor.

Also, there were a lot of people along the waterfront. I'm sure Commissioner Adams remembers a lot of old San Franciscans such as Frank Brennan, there was Gene Calistoga, a lot of old-timers who worked in the trenches with the people in recovery in 12-step programs. They could never accept anything like this because they were in the program and not sort of

counseling the program. She found that niche, and she followed in the footsteps of Dr. Silkwood who started all of this stuff back in Akron, Ohio 80 years ago. They're having their 80th anniversary next June in Atlanta.

In those days, nobody knew anything about the disease of the ultimate drug which I call alcoholism. She brought it to a whole new level. She educated all these young people. I know a lot of these success stories personally, met them, worked with them. I wouldn't hesitate to recommend them for any jobs. They're just outstanding citizens.

This is great. It's great to see somebody like this get honored but we should also remember other people that are still out there and working in the trenches with the recovering people.

Commissioner Woo Ho - A lot has been said obviously about Delancey Street and Mimi Silbert. I wanted to add that I've personally known Mimi for many years. I know she's also had a very difficult time with her health and has not been out as much, but I have had a chance to talk to her by phone. I'm going to talk about her personally more than just her work because all of you have commended her for it.

Over the years, she has had that irrepressible spirit and smile. Every time I think of Mimi, I think of her smile and that she's just so vivacious. Christine is right, every year she has been very generous. She always sends us a little Christmas tree from Delancey Street. It was one of our holiday traditions that my children have always enjoyed.

Both my husband and I have always valued her friendship, loved her as a person. This honor is very fitting for the work that she has done. Mimi is a wonderful person. Her spirit has never been subdued in spite of all her own challenges that she's had to endure herself. I just wanted to recognize that as well.

Commissioner Katz - I echo the comments of my colleagues. It's fitting that we honor somebody who has given so much back to the City of San Francisco and an organization that has made such a difference in so many lives. If Mimi were here, she would say that she would accept this on behalf of Delancey Street and all of the residents past, present and future.

For me, one of the things that I always think about with Mimi is she's one of those people that doesn't just talk the talk; she walks the walk. She's somebody that I've often looked to as model of how you conduct yourself and how you try to make a difference. She's one of those people that has done that. It's very fitting that we refer to a pathway as the area of the port that's in her honor because she's created the pathways out of so many situations for so many people.

I won't go into all of the other accolades, but I do really want to echo my thanks to all that she has done for the city, for the port, as a tenant and not just the Delancey Street location, but as referred to the Christmas tree lot as well and other areas. It's really been a pleasure and a treat to see the work that she's done and the way she's helped shape the port. She was there when we dedicated the Brannan Street Wharf and was just smiling ear to ear. It's very fitting so I'm very supportive of this resolution.

Commissioner Adams - I have two questions. I was out of town during Mimi's event. Who hosted the event, how much money did we raise and how many people showed up?

Renee Martin -. The event was hosted by the Friends of the Port, which is a non-profit. The Friends of the Port accepted donations from various sources, mainly a lot of individuals that made contributions in addition to some corporate sponsors. But they raised so far a total of \$11,375. I'm told that more funds have been pledged that will be coming forth as well.

ACTION: Commissioner Woo Ho moved approval; Commissioner Murphy seconded the motion. Four of the Commissioners were in favor; one recused. Resolution No. 14-52 was adopted.

D. Informational presentation on business opportunities at the Port of San Francisco.

Elaine Forbes, Deputy Director of Finance and Administration - I'm very pleased to be here out in the community. We're very thankful to be hosted today in this lovely center.

This presentation will provide an overview of the port's upcoming contract opportunities and will also go over the city's LBE program, which is managed through the Contract Monitoring Division. I'm pinch hitting for that division today but I know the program quite well. I will also discuss the Contractors' Assistance Center that is a PUC facility and other resources that are available for local businesses.

We're doing this today because we're here in the community, so we certainly wanted to bring opportunities that are available for the community. The Port Commission and our executive director have really challenged us to do really exceptional community outreach and to have representation in all aspects of port opportunities from the diverse communities in San Francisco.

I would also like to introduce Robert Davis who is here today. Bob Davis is someone who really needs very little introduction. He has a very long career in real estate, asset management and community development even before he joined the City and County of San Francisco in 1998 where he directed the San Francisco Parking Authority.

He served as assistant to the mayor and then served as Director of the Entertainment Commission. We are very happy to have snagged him to come and help us with our RFP for parking and also help us think about outreach and doing it in a very creative way.

What he's doing to help us with our parking RFP we will use as a model for other outreach efforts. He's also affiliated with numerous organizations around town including Ella Hill Hutch Community Center and Central YMCA. Between Bob and I, we can answer all questions.

The port, as I said, has a variety of opportunities including maritime construction, facility maintenance, entertainment, retail and restaurants. In general, we seek the best qualified candidate through a request for proposal process or a competitive procurement process.

The port has a policy to ensure non-discrimination on the basis of race, color, sex, sexual orientation or natural origin and the award and administration of all of its procurement. We fully endorse the city's local business enterprise program. We've been challenged to do more creative outreach even than the city requires.

We do now conduct extensive outreach to get the word out about business opportunities. We utilize all of the city's web sites, the port's web sites. We post information in our public libraries with the Chambers of Commerce. We advertise in "The Chronicle" and also advertise in local community papers through the Board of Supervisors' Public Papers Program. We post now all construction opportunities at the PUC's Contractor Assistance Center, which is a great new resource for local small businesses.

I wanted to take this opportunity to say about what's coming up in terms of contract work at the port. We have issued and are evaluating now an award for emergency response trainers. This is a federal grant funded program for \$249,000. We cannot use local preferences in this award, but it doesn't mean that local businesses were not strongly encouraged to apply.

Today, we are also posting the Youth Employment RFP for \$265,000 per year. The skill set required is employment and development skills for youth. We specifically crafted our RFP to ask for multiple primes to respond with the hopes of getting more participation from firms that can conduct this work for our youth.

We have far more construction contract opportunities. The professional services are somewhat small in the near term. I'm going to focus on the delivery date of the advertisement and the trades that are required.

The Port Security Fence Project is anticipated to be advertised in October 2014. The anticipated trades are: concrete, fencing and electrical.

The Belt Line Restroom Project which requires plumbing, electrical, mechanical and carpentry trades will be out in November 2014.

Pier 31 Building and Roof Reports will be advertised in January 2015 with carpentry, roofing plumbing, glazing and electrical as required trades.

The Copra Crane refurbishment requires pile driving, surveying, grading, shoring and concrete will be advertised in January 2015.

The Wharf J1 plumbing improvements project will also be advertised in January 2015 with plumbing and grading as required trades.

The Quint Street Lead Improvement Project requires surveying, grading, concrete, paving, electrical, and railroad trades will be out in April 2015.

The Pier 94-96 storm drain and outfall repairs, which is survey grading, paving, shoring, concrete and plumbing will be out in July 2015.

The Port Modular Restroom Project -- plumbing, electrical, carpentry and mechanical will be out in August 2015

The Crane Cove Park Phase 1, which is a very exciting project and is approximately a \$15 million will be advertised in October of 2015 with landscape, earthwork, plumbing, concrete paving and electrical as required trades.

For all of these construction projects, one thing the port does in its work with the contracts monitoring division is it looks at ways that it can separate these trades. The trades are amenable to our smaller, local construction outfits, our city certified LBEs. We've also been utilizing the micro-bidding process for pieces of the construction work under \$400,000. We're able then to go out just to city certified LBEs for those trade packages. We're getting good results in reaching our local businesses through that process.

The city's LBE program was established to expand contracting opportunities for small San Francisco-based businesses. It's defined by gross receipts and principal place of business. It must be the city and county of San Francisco.

It is managed through our contract monitoring division department. LBE prime contractors receive bid discounts or rating bonuses as they apply for opportunities.

The CMD sets, if the contract is large enough, over \$400,000 for construction or \$100,000 for professional services. The contract monitoring division sets subcontracting goals for local small businesses, which are actually a requirement to meet in order to award and the subcontracting goal must be met at closeout.

The SBA program is a graduated LBE program where you receive a proportion of the bid discount. For construction, a micro LBE is considered \$7 million gross receipts, a SBA \$14 million, etc.

The Contract Monitoring Division monitors and enforces the program through the five stages of procurement, first through the bid and subcontracting goal development, so they work very closely with the departments with the port in figuring out the maximum amount of work that our scope can provide to the local businesses. They review our bid to make sure we're conducting complete outreach and that it's a fair and equitable process. They watch the contract award and ensure that we've done the bidding and discount bonus points correctly. Then they monitor to make sure that the dollars are actually flowing to the LBEs and they monitor for contract closeout.

In terms of our LBEs, at the last count, we had 1367 certified local business enterprises of which 39 percent were minority business enterprises, 22 percent were women business enterprises, and 39 percent were neither women or minority business enterprises.

The LBE by certification type shows the top 10 categories. At the top is 144 certified trucking and hauling businesses, 139 general buildings, all the way down to 23 janitorial services.

One thing the port has done with the help of CMD and at the urging of our Port Commission is to get small businesses registered through the city so we can provide work through this program. There are many small businesses in town that are not city certified LBEs. The process to certify as a city LBE is not that cumbersome, and it has great reward.

CMD has several resources in terms of getting businesses certified. They offer free monthly workshops the first Wednesday of every month. The second Wednesday, they offer a workshop on how to bid for city contracts. It's complicated. It's a learning lesson for sure. Sometimes businesses aren't successful the first time they bid, but can be through an iterative process, and CMD is there to help.

On every third Wednesday, they offer an overview of the surety bond program, which is a way to help local construction firms meet the city's bonding requirements.

All the workshops are held downtown at 30 Van Ness. For more information, visit the www.sf.gov.org/CMD web site or call 415-581-2310.

We're very excited about the PUC's Contract Assistance Center. PUC is a much bigger budget, and they have many more construction dollars and resources than we have but we're able to benefit greatly from the assistance center that they have set up. It's a free resource.

They provide a lot of information on navigating the city's contracting process. They sit down one on one to help small businesses understand the city's bidding process, if they weren't successful in a bid, how they can improve the next time, how to make partnerships with larger firms, etc. It's also a networking opportunity. They provide workshops for businesses that have successfully succeeded in the process and are looking for LBE partners.

The center is at 5 Thomas Mellon Circle, which is very near to Candlestick off of Executive Park Boulevard. The port is now going and doing some of our pre-bids for construction at the center, and we find it a very valuable resource for the community.

There are other city resources to help local small businesses, including the Office of Small Business. We've listed their information here. There's also general business information and the city's tax collector's office.

Commissioner Brandon - I would like to welcome Bob Davis. We look forward to working with you and all your expertise that you have to offer us. I also want to say thank you, Elaine, for such a wonderful presentation. That was very detailed and very good, and I would love a copy of it because it was so easy to follow. I'm sure that everyone knows that the port is very committed to our community outreach and working with local business enterprises and making sure that we're doing everything we can to get anyone who wants to do business with the port involved in what we're doing. Thank you. I really appreciate the report.

Commissioner Adams - I'm really glad that they're going to have this contractor's assistance center because if you look at the numbers for African Americans and Latinos, the numbers are just so low. The disparity is overwhelming.

I think sometimes people don't know when to put in a bid, how to answer the questions, how to frame it and things like that even though they have a long, exclusive resume of all the stuff that they've done. But in the committee, the questions they ask you, if you don't answer them right and if the work is sloppy, you may not get it.

I think people need to know what is the key, what to look for. How do you frame your words? What do you say? That you're very confident and that you can answer the questions because you get points for the questions. If you give the wrong answer or if it's not the substance that maybe the committee deems, then you don't get the points. I think people need more transparency on how to answer questions and what the committee looks for so people can quite understand it more.

Commissioner Murphy - Looking at it from the outside in, for these LBE contractors trying to get contracts with the port or with the city, any

department of the city, it's really an uphill battle for them. The cards are stacked against them, just like Commissioner Adams mentioned. Unless you have all the T's dotted and all of that other stuff, you just don't have a chance.

How do you simplify that? I think that's the key. As most of these small contractors don't or cannot afford a consultant to do all this paperwork for them, 50 percent of it is paperwork. You have to deal with the Human Rights Commission. You've got to deal with all these other agencies.

I remember some years ago I went with a friend who was bidding a city job. We sat in a meeting, and there were 12 of them and 2 of us. There was somebody there from every department in the city with a rule book this high.

He eventually got the job, and I went with him to the first meeting. There were 10 of them and 2 of us. That's what I mean by the cards being stacked against the small guy. We've got to simplify it for these small LBE contractors. The guy that is the general contractor or we call him the prime, the smart ones know all the loopholes. They know how to cheat on the system.

When the different agencies are off for the weekend, they supply the jobs with labor Saturdays and Sundays. There are all kinds of ways that cheating goes on. From the very beginning we need to simplify it. This is probably going to cause ripples. We need to be a little more hands off. There's no need for all this oversight. An architect and an engineer on the project is all you need. You have the small contractor there, and he doesn't have a chance; he can't handle it. Most of them that do get a contract, they rarely can finish the contract because they go broke. It doesn't sound like it's doom and gloom, but we need to simplify the system.

Commissioner Woo Ho - I want to thank Commissioner Adams for he asked that the Port be more visible and determined in our outreach. The port obviously always had a policy to go out and support LBEs but the commission wanted to put a little bit more teeth in the effort and demonstrate some visible support.

What you heard today indicates a couple of things. One, we are succeeding in the fact that we do have more LBEs doing business with us. The second point is, as Commissioner Murphy mentioned, I don't know what we can do to change the process or the rules. We are just one agency among many in the city. The fact that the staff has done a great job to point out where all the resources are and where they can get assistance to help them through the process and to be successful.

Obviously there are LBEs that are being successful as we saw the numbers that are up there, and that we do get the reports on a quarterly basis and it gives us some confidence that we're doing the right thing by the city, by the economy and by all the small business enterprises in San Francisco.

We ought to do more outreach effort so the community knows that we are an agency that is receptive to the community. If they have fears about how to do business with the city, they can at least feel that there may be a few friendly hands that might help them along the way. When one is uncertain what to do, it gives you a good feeling that the other side is willing to extend a hand to help you to make the process a lot easier.

Once you've done one deal, as complicated as Commissioner Murphy says, at least then you have confidence to do it again and it becomes a multiplier effect.

I want to thank the staff for putting this report together. I think that we're making progress. I also think the fact that we reached across to the PUC and to other parts of the city so that we're not duplicating efforts or infrastructure, because that wouldn't be very efficient, and that we are looking to do it as a city family is also something that I would like to commend and thank the staff for.

Commissioner Murphy - One other thing. We talked earlier on when I first came on the commission about working the deal with Pier 70 about getting space for a training place for young people so that they could be trained on how to do what we're talking about right now.

But it needs to be a benchmark where these kids are. First of all, young people, are taught how to approach a boss to look for a job, how to fill out an application and how to do a financial statement. Maybe the port staff can help with expediting that. It doesn't necessarily have to be on Pier 70. We do have a lot of space on the waterfront, if we can start something like that and get community leaders involved.

I've talked to quite a few people, and I've had a lot of support, people that thought it was a good idea. I know quite a few people in the private sector who would be willing to step in. As Commissioner Katz spoke earlier, walk the walk, talk the talk.

Commissioner Katz - I also want to thank Elaine for your report. I always learn something new as we look at our processes and things of ideas and ways we can further improve.

I also want to thank Commissioners Brandon and Adams. We started down this path. The commission as a whole has really put out there that we do want to try to do things better and differently. At Commissioners Brandon and Adams' urging, we had an initial workshop or a meeting with different Chambers of Commerce that was done almost a year ago.

We also pulled other representatives from various city departments, and we also invited some of the developers of the larger projects that we have going

along the port so that they could meet with some of the representatives from the chambers and talked about the process. That was a good first step, but I want to emphasize is a first step. It highlights our commitment to trying to do things even better.

I know we've looked at our numbers, and we've exceeded our goals with LBE on the projects that we can. We've tried to figure out ways we can go further.

For example, we pushed on Metro Ports at the new cruise ship terminal we were discussing to try and do better outreach and include more LBE in opportunities presented there. They then had a workshop in the port hearing room. It was extremely well attended, probably upwards of 35, 40 different LBEs hearing about the potential opportunities.

I talked to some of them afterwards, and many of them even actually met each other and formed alliances, as you were mentioning, Elaine, in terms of the networking opportunities.

We do need to stay vigilant because we do want to do things better and not just hit baseline numbers, but figure out ways that we can improve upon our efforts. I also want to thank Susan Reynolds, who when we had a leasing opportunity wanted to make sure that we reached out and tried to find and create opportunities for other businesses.

We're being creative in looking at ways that we can reach out. The importance is just to not get complacent. By having these periodic reports and keeping the information flow going as well. The workshops are significant. As Commissioner Adams mentioned, it's very complicated hitting the metrics that are required to successfully win some of these contracts. They're very proscriptive. It's important that people can attend these workshops and understand that on the point system that we have, it is somewhat rigid. I'm not referring this to the port itself, but just the process generally in the city.

That being said, the chambers, and I know we have a representative here from the African-American Chamber. It's important for our businesses to connect with their chamber since that's how we're providing a flow of information. That's just one other way that LBEs can find out about opportunities. It goes both ways. We hope the chambers will reach out and get more of the smaller businesses and LBEs joining their chambers. I know they try to do that, but just sort of putting a plug in for them. Most importantly, we stay on this.

I thank my colleagues for all being very focused on this. The message is getting out and port staff as well that we really do care and want to do things differently and do them right. As long as we're not complacent, I look forward to seeing even more opportunities and improvements coming along because I know we can do better.

7. MARITIME

A. Informational Presentation on Piers 80-96 Maritime and Eco-Industrial Improvement Plan.

Kanya Dorland, Port Planning and Development Division - I'm here with Jim Maloney with Maritime Division and Brad Benson, the Special Projects Manager who will present with me an overview of the planning efforts in the southern waterfront, which we are adjacent to today. This presentation will provide information on the existing plans and uses and proposed development opportunities/improvements for the Piers 80 and 96 area.

This presentation is part of an ongoing conversation with the Port Commission and the Port Advisory Committees, namely the southern waterfront and Maritime Commerce Advisory Committee to assess the actions for continued activity in the area.

The existing land-use plans that govern the Piers 80 to 96 area, which are the Bay Conservation, Development Commission and Metropolitan Transportation Commission, San Francisco Bay Seaport Plan, the Port's Waterfront Land Use Plan and the Blue Greenway Planning and Design Guidelines identify the Piers 80 to 96 area as a maritime priority use area.

The area covers approximately 190 acres, has rail, cargo cranes and deep water berthing. This area is also located along the city's truck route and has immediate freeway access.

The port has been engaged in various maritime and industrial planning, marketing and site condition studies to determine the viable uses for the remaining vacant land and underutilized areas at Piers 80 to 96.

In October 2008, port staff in consultation with area stakeholders presented preferred uses and a leasing criteria for the underutilized areas to the Port Commission. Pier 80 is used intermittently. The backlands is unimproved and not leased. The asphalt site is not leased. The iron/ore terminal area is used, but not fully occupied.

The area studies and stakeholders and port staff recommended additional industrial maritime activity at Piers 80 and 96 and previews at the backland site in investigating an asphalt batch plant development.

Before explaining the proposed opportunities and improvements for the area, we wanted to provide some context on the existing area operations.

There are existing maritime in heavy industrial tenants in the Piers 80 to 96 area. We screen our profiles of some of the area tenants at Piers 92 to 96,

the existing tenants between Piers 80 and 96 generate approximately 629 jobs and approximately \$8.6 million in annual rent revenue to the port.

Additionally, recently signed leases with Central and CEMEX resulted in \$11 million in new investment at their leased areas. There are some vacancies as mentioned, and the occupancy between Piers 92 and 96 is roughly 65 percent, leaving approximately 40 acres, the backlands area, available for leasing.

The main Piers 92 to 96 tenants are engaged in recycling and upcycling, and thus, the area between Piers 92 and 96 can be identified as eco-industrial park.

The concept of an eco-industrial park consists of collocating industrial uses to enable product exchange, optimized resources, incorporate green design, green technologies on-site, foster resource recovery, employ local residents and reduce industrial environmental impacts.

An example of this product exchange and upcycling activity is the concrete production activity onsite. Hanson Aggregate imports sand and aggregate by vessel at Pier 94, which is then used by Central Concrete and CEMEX at Pier 92 to produce concrete.

Both Central Concrete and CEMEX use harvested rainwater onsite in their concrete production and manage excess rainwater runoff through landscape swells. This collocation also reduces truck treads within the city to make concrete.

Sustainable Crushing, which is a relatively new tenant at the port at Seawall Lot 352, recycles concrete from area demolition projects. Central Concrete also uses the recycled aggregate and sand produced by Sustainable Crushing to produce non-structural concrete, which can be used to build sidewalks, curbs and gutters.

Jim Maloney, Maritime Marketing Manager for the Port - I'm tasked with helping develop cargo business at the port. I also want to thank you for reaching out to the community. I think this is a very appropriate time to be having this meeting down here in the southeast waterfront. This is where I spent a lot of my time obviously, the southern waterfront. In fact, I'll be here tomorrow evening for a southern waterfront advisory committee meeting as well. So I'm quite familiar with the area. I'm grateful that we're having our first offsite here.

I want to talk to you today about current activities and contemplated activities at both Pier 80 and Pier 96. Pier 80, as you're aware, is the port's and, in fact, the bay's only dedicated breakbulk cargo facility.

The port manages Pier 80 with our terminal operator, Metro Ports. I'd like to thank Shawn Bundy who's in the audience today. He's with Metro Ports. He's came to support the project, and it's been a very good partnership.

We regularly go to Breakbulk Americas Conference in Houston to have a display booth, and we'll have a joint customer reception with Metro Ports. We're regularly out there trying to aggressively market the port.

The facility is very well liked by breakbulk carriers. It's about a 69-acre facility that includes two storage sheds, almost 400,000 square feet total of inside storage for sensitive cargo like steel coils. We have four shore side gantry cranes that are still operable and can help augment the shipboard cranes on the ships that come in to discharge cargo. We've got four deepwater berths, 40 feet of water, which is a lot of water for the ships that come in, so it's a very good facility to carriers. They really like calling here.

Cargoes handled at Pier 80 include steel products such as pipe, tube and a lot of the breakbulk products that we bring in or a lot of steel products we use in the local construction industry to build the buildings and the roads and whatnot in the local area.

Another common product that we bring in, the steel coils, which are located inside Shed A. Most of the coils when they discharge the vessel go straight into cupboard storage waiting for the trucks to come pick them up because they are sensitive cargo.

Most of the steel coils go into making things that are semi-finished product, but they go into making things like auto parts, cans for the canning industries in Central Valley, things like garage doors and gutters for residential housing, etc.

Last year, we had two ships in that brought project cargo in; that's another large type of commodity we regularly see at Pier 80. This picture shows a piece of one of the central subway tunnel boring machines that came in. They came in each on two separate vessels last year to support the Central Subway Project, which now has been successful. They've dug the tunnels.

Some other project cargo items that we bring in, we brought in electricity producing equipment like turbines, windmill parts, yachts and boats, brewery tanks and things like that, a lot of project-oriented cargo that's really too big to go inside traditional cargo containers.

This was a piece of cargo that came in for Tesla recently on a ship in May. This is a production press that's going to go into producing their new Model X electric crossover utility vehicle that Tesla will be introducing in the coming months. I'm sure you'll be reading about this. This piece actually was a used piece of equipment that they purchased from Toyota in Japan.

We're also expecting additional similar type of production equipment from Germany and Italy. We're working with Tesla on a number of other initiatives as well. They produce their cars using aluminum coils and actually stamp their auto parts right there at their plant in Fremont. So we're talking to them about that.

We're talking to them also about possibly exporting their finished product, their finished vehicles to Asia and possibly also Europe. We're talking to them about bringing in bulk product that would supply the batteries for the gigafactory that they just announced they'll be building up outside of Reno, Nevada. We think that can be a great opportunity for the port.

Some other items that we're looking at also include bulk products that come in specialized 20-foot containers that would get poured into the holes and vessels at Pier 80. We're also looking at bagged bulk products like lime that would be used in various uses in other parts of the world. Those are some of the items that we're contemplating or we're seeing now at Pier 80 and looking at for the future.

Commissioner Murphy - I'm hearing a lot about what's coming in. How much is going out?

Jim Maloney - Right now, Pier 80 really is almost 100 percent focused on imports, so we're trying to change that. We're trying to find some exports that we could attract as well like the Tesla automobiles, like specialized containerized bulk products.

Commissioner Murphy - These containers are coming in full and leaving empty. We've definitely got to change that.

Jim Maloney - Yeah, and we're working on that. In fact, the bagged lime is a product that we've talked to one of our breakbulk carriers about loading on a breakbulk basis to go down to South America where their ships are going to. A lot of their ships are being repositioned empty from here so we're working on that.

We'll be coming back to the commission. We're scheduled to come back in December in conjunction with Metro Ports and the ILWU to give a more detailed presentation on our cargo initiatives and opportunities that we're pursuing at Pier 80.

I'd like to talk to you about our marine terminal down at Pier 96. We've been actively marketing that terminal to form a container facility. It's been utilized for interim uses. To give you a little bit of history about the bulk industry that the port has been able to attract that Kanya alluded to, back in 2001, the port developed a bulk import business in partnership with Hanson Aggregates to

bring aggregate into the port to be used in concrete batching plants in the local area.

That opportunity turned out to be very successful. The port is now bringing in about a million and a half to 2 million tons of bulk product a year, aggregate and sand, both into Pier 94 and to Pier 92 to support also the CEMEX batch plant site.

What we'd like to do is try to replicate that success next door at Pier 96. I know Commissioner Brandon, you were here in 2008 where we put this property out to bid. At the time, the market was already starting to soften. Unfortunately, we only received one proposal for that facility, and that was to build another breakbulk facility, which the port properly rejected since we already have a fairly underutilized breakbulk facility at Pier 80.

Since that time, starting in 2010, the market has started to improve, and we've been getting a lot of inquiries from exporters that would like to use that facility in particular for iron ore. We think it's a really good fit for iron ore, in part, because a lot of the iron ore would be coming out of mine sites in Nevada and Utah, which geographically are in good proximity to Northern California ports, particularly the Port of San Francisco.

Iron ore is inert. It's non-toxic. It's not something that's going to pollute the environment. In fact, it's a naturally occurring mineral that erodes and gets washed down through our waterways. In fact, if you go out to ocean beach, the black sand you often see on ocean beach is iron ore. It's very non-toxic.

Also, iron ore is heavy, and it needs deep water, which the Port of San Francisco can offer. We have 40 feet of water, which is adequate for iron ore shippers. They would bring in their iron ore by train, utilizing Union Pacific Railroad and go directly from trains, unload it to the port and then load it into vessels at Pier 96.

Right now, since 2010, we've been working closely with Union Pacific Railroad to partner with them on committing them to bring their product into the port. We're very close to getting a written commitment to that from them to bring in six trains a week of iron ore.

Also we've recently asked the engineering firm to do a geotechnical and engineering analysis of the Pier 96 area to see if a facility can be built and exactly how it would be built. They will be coming back to us in the coming weeks with the feasibility and with a 10 percent design of a bulk facility.

To talk a little bit more about the opportunity, this is actually a piece of iron ore that we brought from a mine site in Nevada from a mine that we're actively pursuing for this opportunity. The product will be brought in by rail in long trains. The idea would be to bring it in, convey it using covered conveyor

systems, stored in a covered storage shed at Pier 96 and loaded onto ships with a covered ship loader system that would be built down at Pier 96.

This slide shows some of the rail improvements that we would be required to facilitate, a bulk export facility to handle the iron ore. Kanya pointed out Pier 96 in the loop track. What we would plan to do would be to build, to add onto the rail yard, add five additional parallel tracks to the current rail yard and create a loop track down at Pier 96 where the trains can come in and very efficiently loop out to Pier 96, offload their product, get stored back in the rail yard and then go back onwards to the mine sites for reloading. That would effectively almost triple the amount of track we have currently in that area.

We would partner with San Francisco Bay Railroad, our current rail operator tenant. Eric Smith is here in the audience. The San Francisco Bay Railroad, we would partner with them and Union Pacific Railroad to bring the trains in, unload them and send them back out to the mine site.

Union Pacific Railroad has been a good partner. As I mentioned, we're expecting in writing a good commitment letter from them that they will indeed support this facility. What they've told us is a number of requirements that we need to adhere to in order for them to feel comfortable committing to operationally handle the facility.

The first one is rebuilding the Quint Street Lead. I hear the rail line outside. Actually the Quint Street Lead leaves the main line actually just north of this facility. As you're aware, the port received a \$3 million federal railroad administration grant to do just that, to rebuild and rehabilitate that track. We're working closely with Union Pacific, expect to have that project done by late next year.

UP also said that they would need us to augment and add on to the port rail infrastructure, which is what I just described. We've asked our engineering team to have a look at the rail design that we've presented to them that we think will support the project to confirm that it indeed can facilitate managing a facility or serving a facility to that effect.

We contemplate initially having a facility that would move about three trains of iron ore a week and eventually be able to double that capacity, starting out at about 1 to 1½ million tons a year and effectively doubling that in the future. The facility would create new jobs including ILWU jobs. It would create a lot of new revenue to the port. We're estimating upwards of \$2.7 million a year to start an additional new port revenue.

This engineering study is due back to the port in the coming weeks. We'd like to take that study, and with the commission's approval, craft a request for proposals to then take the property out to bid and issue this RFP as early as

January of this coming year. Again, we'd appreciate your input on the project and your guidance.

Brad Benson, Special Projects Director - We've got two other ideas that we want to share in this presentation for the southern waterfront area. One's not a completely new idea.

You can see it's a little faded yellow. There's an asphalt/concrete plant site. It's about five acres. It was partially improved by a tenant that was intending to build a concrete batching facility. It would have been the third concrete batching facility on port property using a very similar kind of business model, taking advantage of maritime cargos coming through the bulk facilities and in the aggregate. There was a problem with that tenant. The port ended up terminating that lease.

Subsequent to that, we came to the Port Commission round about the same time, 2008. The city was thinking about closing its asphalt plants, the asphalt plant that was located right nearby as a matter of fact. We, with the Port Commission's blessing, issued a request for proposals for an operator of an asphalt plant. Asphalt production is very similar to concrete production in that it uses sand and aggregate. It was a similar maritime business model.

We had a lot of interest at the pre-bid conference. But we were at the same time entering that down market in 2008 and received no responses. Also at the time, the city had not figured out how it was going to pay for street resurfacing in the city. DPW was just beginning to get its arms around the challenge of maintaining a robust repaving program. So that proposal lay dormant for a long time. Over the past months, we've been approached by DPW. We have a number of DPW staff here today to listen to our discussion.

DPW's contractors have to travel to the peninsula to pick up asphalt. So there's a lot of truck traffic, a lot of it going down 101 to get asphalt into the city. There's interest because right now we don't have a lot of recycled content in our asphalt in the city. A new asphalt plant has the technology now to incorporate up to 50 percent recycled content. DPW is also disposing of a lot of asphalt at great expense that could be easily recycled.

One of the ideas that we're presenting today and need to talk more with the community about is are we interested in pursuing this opportunity again? The city has figured out its repaving funding stream and the capital plan that the city has adopted.

They are spending about \$45 to \$50 million a year in repaving. There's a strong market for this material. It would allow sustainable crushing to accept asphalt grindings, make that a more lucrative business opportunity and we add to that eco industrial park theme that Kanya was so eloquent in describing.

Asphalt batch plant looks very similar to concrete batch plants. It would be managed with the same types of environmental controls as we manage all of our new industrial tenants in the southern waterfront, making sure we have good dust control, good site maintenance and would bring significant investment. One of the benefits of the concrete facilities is they really improve the Pier 92 and 94 area. We're hoping that an opportunity like this could bring similar private investments.

The final idea is also not a new idea. Kanya mentioned some of the planning work that David Beaupre led in the southern waterfront looking originally at some warehouse opportunities on the port's backlands, which has been largely unleased for a very long time.

That work completed in the early 2000 time period found that the bay muds are so deep in this location that you have to drive piles almost 300 feet. It's too costly to build single-story warehouse buildings with that depth of pile. You just can't. The economics are not there for it to work. We went back to the drawing table. We noticed that simpler leasing, just industrial plots, paved areas are frequently in demand. We started an initial conversation with the Department of Public Works about designing this, looking at storm water management swales and landscaping improvements to beautify the area.

It looks like a project that would have a very short payback period. We actually had funding lined up through a prior revenue bond issuance. The estimated cost was about \$8 million, some of which was soft cost and some hard cost.

This is something that we'd like to open up a conversation; again, is this the kind of vision that we want for the unleased area of the backlands? We certainly know that there's market demand for this kind of use. It's a relatively low-cost way to significantly improve the look and feel of the area and create jobs for local residents.

That's another idea that we're bringing to the commission and community. Of course with all of these opportunities, the commission has adopted a southern waterfront beautification policy. A portion of the lease revenues from all of these leases go into a special fund designed to fund job training and economic development opportunities in the community and also to fund parks and other beautification projects like the Pier 92 silo project. Of course, that policy would apply to any new leasing opportunity.

As to next steps, these are staff ideas that have grown out of either market interest or consultation with the Maritime Commerce Advisory Committee and SWAC. But they may not be all the ideas out there. We want to hear what the Port Commission has to say. Are there other directions that we need to be looking in? Do folks in the community have other ideas for how we could

improve and beautify and put to better use the southern waterfront property that is underutilized today?

After hearing from the commission and the public today, we know that before doing anything, we have to go out into the community and maybe more broadly than our advisory committees to some of the neighborhood groups and the merchant groups in the community, see what people think about these ideas and then seek final direction from the commission.

Commissioner Katz - I want to thank, as you were mentioning, your marketing efforts, Jim. One of the things that has been unique about the port as you've gone to these conferences is you're often joined by Commissioner Adams. We appreciate going with you, and it sends a message of support from ILWU that many others don't have. So I just wanted to thank you both for that.

Eric Smith, San Francisco Bay Railroad - Mr. Gavrich sends his regrets; he couldn't be here today. But he'd asked me to convey the San Francisco Bay Railroad's continued commitment and support to the port's ideas and plans. It's been great working with port staff. We love these ideas, the potential for not just revenue, but job growth and training as well, and from everything from the Blue Greenway to Pier 96 to Pier 80, we're excited about all of those possibilities. We're there for you, and we appreciate all of your efforts and the efforts that the port staff has given us in talking with UP and Cal-Train and all the rest. I want to say thank you, and we really appreciate it.

Shawn Bundy, General Manager of Metro Ports, Northern California. What Jim presented to you is a great opportunity for San Francisco, for the waterfront. We certainly will be looking forward to putting in a bid in January if that comes to fruition. Regardless if we get the bid or another competing company gets a bid, I think it's great for the port. So good luck.

Commissioner Brandon - I would like to thank Jim, Kanya and Brad for a wonderful presentation. That was a great overview of ideas that we are looking at for the 80, 92 through 96 area. I've been encouraging the staff for probably about 10 years now to try and come up with a master plan for that area because it's a valuable piece of property because it's the last maritime heavy use land that we have on the port.

I've been encouraging the staff to come because every city department, everybody thinks it's valuable also. Everybody wants to put all kind of uses, whether it's maritime or not. I've been very insistent that we really need to reserve that for primary maritime use.

I'm glad that we're coming up with these ideas, but we need a master plan. We need to understand how all these ideas will work together. For the southeast sector of the city that has historically had environmental impacts because of heavy industry that we really understand what it is we're doing out

here and how all these ideas come together and what impact that would have.

Number one, it has to be reserved for maritime use because we have nothing left. If we're going to increase our maritime business, this is the only opportunity we have to do that.

Two, we have to use our advisory groups and to do the outreach. The individuals on the Southern Waterfront Advisory Committee live, work or create jobs within this community. Their input is very valuable for whatever we're going to do with this area.

With regard to the environmental impacts, we have to understand that and within our planning process of whatever we're going to do, I haven't heard anything about sea level rise impacts and understanding how that's going to affect whatever it is we're planning to do out there.

I'm going to volunteer as a committee of one or if my fellow commissioner who has the maritime experience wants to be a committee of two to work with the staff to help develop the idea for this area.

Commissioner Katz, I am requesting to create a committee to follow the development of this project because there's lots of opportunity out there but we do have to take everything into consideration.

Commissioner Katz - I encourage as we move forward to explore putting together a committee to work with staff . . .

Monique Moyer - An unofficial committee. A committee of the commission would be a public body subject to public meetings, etc. Maybe, Commissioner Brandon, I could talk to you more afterwards about exactly what you're volunteering for.

Commissioner Brandon - Okay.

Commissioner Katz - I think she's volunteering to be an advisor to staff.

Monique Moyer - Thank you. It's all welcome. I just want to make sure I understand.

Commissioner Brandon - In the past, we have volunteered to take on roles which does not require holding public meetings. I will work with the staff in whatever capacity to help them with the definition of the master plan for this area.

Monique Moyer - Thank you, Commissioner.

Commissioner Adams - I appreciate the report. I've had an opportunity to go with Jim and Peter Dailey. We went to Houston. We've been to China. The Maritime Department is working hard. Maritime is vital to the history and the culture of this port. Like Commissioner Brandon, I have the same passion. I know when I came on to the commission, at the time, President Woo Ho said, "Willie, jump right into it with fire." That fire is still there. But I'll tell you, it's hard because with Jim and Peter, what they run up against is we're competing with Houston. We're competing with Stockton, San Diego, New Orleans and Charleston. We're competing with all these other ports whose rates and everything are lower. We're trying to be competitive. I know that because I was with Jim and Peter. I've been with them and the calls that we have made in China and we're up all times of the day and night. Even when I was traveling, Jim and Peter would call me and say, "Can you meet with this person and meet with that person?" But we have to continue to keep going forward.

I think there's a lot of opportunity in this maritime. We're going to keep pressing forward. We're going to get it. When we were in China, we joined the Shanghai Chamber of Commerce. There were some business people in China who showed some interest in the Port of San Francisco. Shanghai is a sister city to San Francisco.

There's iron ore in a lot of these opportunities. I believe they're a reality. We've just got to continue to follow up. When you see that Commissioner Brandon says, hey, she wants to be a part of this, I do too. I had asked the committee that Jim and Peter are working with Metro Ports and the ILWU in December. They're coming here to present a plan. I also agree with you about sea level rising. I think we have a lot of opportunity.

With the Americas Cup not being down at Pier 80, we have all that land down there. If we use it right, we can continue to market. We're stronger when we go out and market the port, the ILWU and Metro Port. We go out and we meet with the customers and we tell them, "We want your business in San Francisco" and how much it means to us.

They just did a good job of laying out what we've got to do. We can get weary because we've had a couple setbacks. Tesla's a great opportunity, even though they're going to be building in Reno. If we could eventually get in ships with Tesla products to be shipped out to China or over to Mexico or down to Hawaii or whatever, I think that will continue to help us grow.

I remember the day I got sworn in in July, Mayor Lee did say to me how important maritime means to him. Mayor Lee is from Seattle, and he knows about the ports and their economic impact and how significant maritime along with the other things that we have at the port.

Maritime is not like a shiny new cruise terminal or a pretty giant stadium. Maritime is kind of grungy; it's kind of dirty. But where I come from. I come from the working class. It provides jobs. It provides something for our community. It's a part of our culture. Because if you think 80 years ago with just the plain waterfront without all these beautiful buildings, that's what it was; it was maritime going in and out of these ports.

At that time, San Francisco was the largest port on the West Coast. Now it's L.A. Long Beach. But with what we have, we don't have to worry about the Port of Oakland because they're mostly in the container business.

What we thrive in, and I've said it many times, what we do best is cruise ships and general cargo, and let's do it well along with our real estate and the rest of our portfolio. We have a portfolio like a stock portfolio. One thing is up, the other one's down. But we keep that balance, and I think that kind of gives us an opportunity.

I really enjoyed the last presentation we had when John Englander came to our last Port Commission meeting to talk about sea level rising. Perhaps we can work that into our pilot program because I want to know what's a perfect fit for the Port of San Francisco because there's no other port like ours. We've got to tailor something that fits us. We're kind of unique in the way we do things. We can find something that incorporates what we want to do, and if possible, maybe ask for a concrete plant and everything. Maybe we can incorporate it all in one.

Commissioner Murphy - I'd like to thank Brad and Jim for their presentation. It was very good. You talked about the iron ore. I assume that's all going to China. I was in western Australia a few years ago in the Fremantle area. I have family that immigrated there many years ago. In western Australia, they're building an average of two ports a year, just catered to the iron ore from Australia going to China and Japan. It's huge business for Australia.

I'm pretty sure that we could do that on maybe a smaller scale starting out. It's a really good idea. As for the concrete and asphalt plants, we need that very badly in San Francisco, and we need it as close to the job sites as possible. We don't want to be transporting it from across the bay or anything like that. As long as we do it in a responsible, clean way, I think it's great.

These two piers, they're very underutilized. I've always thought that. I think we can get an awful lot more out of them, and I think you're pretty much on the right track for that. Good job.

Commissioner Woo Ho - I appreciate the concerted effort of three of the port staff, Kanya, Jim and Brad. I would agree with Commissioner Brandon's comment in terms of trying to get a better sense of a master plan of some of the existing tenants there plus these new ideas, how they integrate together

and obviously taking into consideration the environmental impact. I totally support that.

We talked about \$3 million of federal funding being available for the railroad improvements that are needed. Is that funding sufficient for all of the improvements or are we still going to have to look for funding for improvements that you note in this presentation?

Jim Maloney - That \$3 million was specifically for rehabilitating the Quint Street Lead, the connector track from the main line to the port and there was a 10 percent port match on that. For the other rail improvements, one thing that we've talked about is we'd like to consider applying for a TIGER grant next year. It's Transportation Infrastructure Generating Economic Recovery grants that a lot of ports have received over the last several years. We think that's something we've talked about applying for next year to pay for the rail improvement portion of the facility. . .

Commissioner Woo Ho - Do you have any estimate/ballpark of what that would be?

Jim Maloney - Ballpark of \$12 to \$15 million.

Commissioner Woo Ho - So this is not part of the capital plan at the moment?

Jim Maloney - Correct. If the port can't come up with a TIGER grant or another grant to pay for that, we would ask the developer if we put this out to bid to basically pay for those rail improvements.

Commissioner Woo Ho - I know this was not the day to go into the considerations. But obviously we're having to figure out where we invest and how we get the returns, etc. So there would be potentially more investment required here that we have to figure out the answer is I guess what you're telling me.

Jim Maloney - Correct.

Commissioner Woo Ho - Brad, you said industrial usage for the backlands was because of the cost of driving the piles. I'm not sure I fully understood the other alternatives. Are you talking about single story versus multiple story, therefore single story would be okay, but multiple story industrial buildings would not be supported because of the fact you have to drive the piles down further? I'm just trying to understand.

Brad Benson - I'd actually defer a little bit to David Beaupre, who led the planning efforts that looked at the Industrial Warehouse Plan. It came out of a community planning suggestion that the warehouses would complement the terminals.

Commissioner Woo Ho - I understand that you're saying traditional multi-level industrial buildings is not feasible. So I'm just trying to understand, what is feasible? I didn't quite get a full picture of that.

David Beaupre, Planning & Development – In approximately 2006, we brought on Parsons Brinckerhoff to help us study the potential to build warehouses in the backlands. As a part of that analysis, we found out that not only did the piles need to be extremely long, but because of the nature of the fill material in the background, which is basically not engineered fill, it was the city dump for a number of years, is that all of the buildings would need to be pile supported as well as a lot of the infrastructure.

Commissioner Woo Ho - I understand that.

David Beaupre - That was just for single-story buildings. Most typical, the warehouses that are used for the maritime cargo operations are single-story warehouses.

Commissioner Woo Ho - I'm still not sure what we would use the backlands for since we've determined this is not something we could use it for.

David Beaupre - The alternative uses that are illustrated on the plan is to improve the area with basic infrastructure, so roads and utilities, and then have paved areas that we can use for construction, lay down storage, similar to the types of uses that we have seen, backfill in Pier 70 when the city's towing operations left where there is construction lay down, vehicle storage, even other self-storage types of things. But we see a lot of demand for that today. In fact, there's a contractor that just leased two acres of the asphalt batch plant for construction laid out there.

Commissioner Woo Ho - But that translates into lower revenue, this type of use?

Brad Benson - We do pretty well with paved areas in terms of revenue for the port. This is about 20 acres. We calculated about \$2.5 million annually in revenue potential. But that's not the total universe of potential uses of a space like this. We did have a very interesting presentation from folks who specialize in sprung structures, which are seismically sound structures that don't require piles and have a fabric or similar kind of covering on them.

There is the potential to create warehouse type space that has a good look and feel without driving piles, which is something that wasn't considered before. We actually looked at that as part of the iron ore opportunity as well.

This goes to the master planning suggestion. What are the uses? What's the market? What's the revenue potential of each of these opportunities? We look

forward to exploring that with you and coming back to the commission with a full pallet of options.

Commissioner Woo Ho - The total area that is available out of this whole area that you're talking about, the existing tenants -- it's mentioned in square feet. We currently have about 45 acres that we could develop into various things, the asphalt plant, the iron ore terminal, the backlands improvement. The existing tenants are taking up how much space, just as a ballpark?

Kanya Dorland - The backlands would be 28 acres of usable area. The asphalt batch plant is five acres.

Commissioner Woo Ho - I got that. I'm just saying the existing tenants, we're not getting rid of all existing tenants. So they occupy what percent?

Kanya Dorland - The existing tenants would stay. Sixty-five percent between Piers 90 and 96, not including Pier 80. They occupy 65 percent of the area between Islais Creek and Heron's Head. The vacant area is the backlands, the asphalt batch plant site area and the iron ore site area, although the iron ore terminal area is partially leased. It's just not leased to its capacity.

Commissioner Woo Ho - I'm still not getting the picture. Of this total universe, how much is already occupied and how much is the 45 acres that you're all talking about. It gets back to the suggestion of Commissioner Brandon having a master plan so we can understand the whole thing.

Kanya Dorland - We would want to include Pier 80. Pier 80 is 69 acres. This whole area between 92 and 96 is 65 percent leased. It does include office and industrial buildings that are almost 100 percent leased but then we have vacant areas. We have the backlands area, we have this asphalt batch plant area and then the iron ore terminal area but it is not used to its capacity. We have a big chunk of area that's not being utilized.

Commissioner Woo Ho - Based on that, it looks like there's about 30 percent left?

Monique Moyer - It's about 30 acres, non-contiguous.

Commissioner Murphy - So that area we're talking about there, is that landfill or is it below sea level or why would we have to drill piles in order to have storage? I've never been out there that's why I'm asking.

Kanya Dorland - It's unengineered landfill. It's uneven terrain. If we built anything there, the foundation would be unsettled, and it would continue to settle, so no one would want to build there without having a stronger foundation. A stronger foundation would require pile driving, which is extremely expensive for industrial property. The only thing that we can do

here based on the plans that govern this area is maritime. We can only do construction, laydown and storage for no more than 10 years. We can only do maritime industrial uses in this area but we have to do that type of infrastructure improvement such as pile driving in this area. Because if we don't pile drive, we would have a foundation that would crack. We don't know how far down it would sink.

Commissioner Murphy - Well I know that out in San Anselmo they have all these condos built in land that you're talking about. They have a floating dock where the dock goes up and down with the tides so you would be able to get some kind of transport in there. You could find a cheap way of designing these storage buildings to last for 25, 30 years.

Kanya Dorland - Brad just mentioned the spring structures, which would be a warehouse shed and the walls are fabric. It uses steel framing and a concrete pad so that you can have covered storage. That's something we're investigating for the backlands site area.

Commissioner Murphy - You're going to have to take me out there to take a look.

Commissioner Adams - I'll go with Commissioner Murphy.

Commissioner Katz - I want to thank you, Jim and Brad, for your presentation and for coming to us in early stages to let us know the opportunities and options we should and can consider. Thank you, Commissioner Brandon, for being willing to work with staff as we explore what kind of use and opportunity to have out there. As I understand it, everything that's being explored would relate to maritime in some fashion, be it the goods that are imported or exported. I'm a little concerned because even if the spring structures, for example, were used for storage, would that be related to maritime use in some fashion?

Brad Benson - The Port's been reserving the backlands for the maritime terminals probably for 30 or 40 years at this point. You're right, it's conceivable that as this maritime terminal grows and becomes more robust, that the backlands itself would be needed to support those maritime opportunities. The improvement project that we're talking about has the benefit of improving the area, getting it so that it can be leased and put into use on an interim basis as Kanya suggested, but still be available for maritime development when and if there's the market interest in making that investment.

Jim Maloney- This available land is a Port asset and we're trying to utilize these assets to leverage maritime opportunities. One of the reasons why Stockton has been so successful, they've got Rough and Ready Island from the Navy, and it's a very large piece of land with great warehousing and rail

infrastructure. They've been able to lease out a lot of that space for steel distributors, for instance Ferguson Pipe is one, Mac Steel is another -- that bring the pipe off the ship and store it right there at the port to distribute throughout the central valley and throughout California and the West.

We'd like to do a similar thing. We're approaching steel distributors to see if they'd like to set up a distribution center for Bay Area construction material or Bay Area steel distribution, using the backlands, using the Western Pacific site next to Pier 80, maybe even using Pier 80 itself and some of the storage sheds that are there. We're having those conversations now.

I was able to go back to Omaha. Union Pacific had a Short Line Conference, and this year, for the first time, they included ports. They encouraged ports to come out, and actually there was about 45 ports that UP represents, where we had a chance to meet, have a marketing day and meet with their various business units. Port staff and San Francisco Bay Railroad were able to sell the Port and our assets to Union Pacific and effectively get them to help us to be out there marketing our Port assets.

We used the backlands to try to leverage getting some business from one of the bidders for the Transbay Transit Center Project. There was a lot of steel that had to come in for part of that project. The company was going to bring in some of the steel from Oregon by water, some of it by rail through a rail yard for the East Coast, and store it in the backlands. We tended to lease them out about three acres, they were going to improve it. So it would have been a real win-win. We could have brought steel in by water, by rail, we could have stockpiled it here for the project, there was very little space downtown.

Unfortunately they didn't win the bid. Another company did. But that's the type of activity that we're trying to utilize here. We've talked to the Bay Delta Conservation Plan, a state project that's kind of being proposed. They're interested in possibly using the Port for a logistics hub as well if that were to come to fruition. Those are some of the ideas that we're out there trying to look at every way of leveraging our assets to try to really ramp up the maritime business and the rail business at the Port.

Commissioner Woo Ho - Is there any free trade zone implications that we could employ here?

Jim Maloney - As a matter of fact, there is. We're trying to leverage a Foreign Trade Zone. I was at a Foreign Trade Zone conference last week. We're a member of the National Association of Foreign-Trade Zones. The foreign trade zone program has changed, it's evolved. It's now become a virtual benefit. We're trying to utilize it to be able to talk to folks like the London Metal Exchange or steel distributors who could bring in steel, store it at the Port in our foreign trade zone, where you'd create a site and have them be able to defer paying duty on that steel until it actually leaves for final distribution.

If it's re-exported to Canada or Mexico, to another NAFTA country, for instance, they could avoid paying duty altogether. But we're trying to also leverage the foreign trade zone as another asset to try to prop up and enhance our maritime business as well.

Commissioner Woo Ho - That would be wonderful.

Commissioner Katz - I also want to thank you for highlighting the eco-industrial uses and the symbiotic nature of some of the work we're doing out there. As Commissioner Brandon pointed out, much of that area has had uses that have increased contamination in the area. I appreciate that we're looking at ways of reversing that and being more environmentally sound in terms of repurposing materials and recycling. I applaud those efforts and I want to highlight that and make sure that we do keep that in mind, too, as we look at what's going on out there. I know there's been a lot of effort to try and send out or work with Tesla for their needs, for example, with electric vehicles. There are other electric-vehicle manufacturers in the area. We may want to do some more outreach on that front, since we are well-suited for a port of outgoing cargo for those uses as well. I want to thank you for making that a point and highlighting that.

Finally, about a year ago we asked for implications of sea-level rise to be included in the reports as they come to us. I know this was just a preliminary briefing, but my understanding would be that when something else is brought up to us, it will have a discussion and outline the implications of sea-level rise, which, I could imagine will be problematic, especially based on everything we heard at our last commission meeting.

Commissioner Adams - I wanted to inform everybody that we're really going to be blessed on Friday. Toni Atkins, who's the speaker at the California Assembly is coming to the Port of San Francisco on Friday, September 26, 2014 to take a tour of the Port by water. She'll get to see the whole waterfront by boat and we'll point out the maritime aspects of the Port to Speaker Atkins. She is the new speaker of the Assembly and she comes from San Diego.

Commissioner Katz and I attended a leadership forum in Sacramento last year. When I met with her, she mentioned that she had never been to the Port before. She represents workers in the Port. I had told her that I'd like for her to come to the Port of San Francisco. With Leslie's help we worked it out. On Friday, September 26, she will be here, and she'll be taking a tour of our Port to get a better understanding how ports work and things like that. She will be a great asset for us, and she's a big supporter of ports.

8. PLANNING AND DEVELOPMENT

A. Informational Presentation on the status of the Port's Blue Greenway Projects.

David Beaupre, Planning & Development - The purpose of this presentation is to provide the Port Commission and the community with an update on the status of the Blue Greenway. To remind everyone, the Blue Greenway is a project to complete Bay Trail from Mission Creek to Candlestick Point. We have the entire waterfront open-space system illustrated here, and the policies of continuity, sequence, variety and character. The Blue Greenway is from Mission Creek all the way to the county line off the Port property.

While this map illustrates all of the Blue Greenway in its entirety, it sometimes is hard to show what the Blue Greenway is in this. A way I've been using to describe the Blue Greenway is to compare it to the emerald-necklace system of parks in Boston.

I've created a few diagrams to illustrate that concept. Here we have the water and the land. On the land are the neighborhoods and the people. Here are the parks along the Blue Greenway that are the landside parks. Between the parks are paths and sidewalks that connect the parks. The emeralds on the necklace are the parks, and the chain that holds the necklace together are the paths and sidewalks along the Blue Greenway.

Here we have the water landings, which are a part of the Association of Bay Area Government's Bay Area Water Trail. Then we have the trail connections between the water landings. All combined -- the neighborhood, the community members, the parks, the connections between the parks, the Water Trail destinations and the Water Trail -- are the Blue Greenway.

One of the overriding considerations of the Blue Greenway is to recognize the existing maritime and industrial uses along it. As mentioned in the previous report, trying to integrate and balance new open space while preserving maritime industrial uses, which is an important economic base for the city.

In 2012 we completed the Heron's Head Park Improvement that the Port and the city have received a lot of accolades on. We've got a number of users out there every day and on weekends enjoying the dog run, the meadow, picnicking, barbecuing, birthday parties and celebrations. I was out there two weekends ago, and there was a great event at the EcoCenter for celebrating Chinese Whispers and the shrimping activities that used to happen in Bayview. The new part and the old part of the park were being used by a variety of groups, both from within the community and outside the community.

The next are the Cargo Way Bicycle Lanes, which is the city's first bi-directional bicycle lanes in the city, which also called the Cycle Track, where there are signals established for cyclists that are timed for the cyclists riding up and down it. That facility is also getting used by a number of recreational pedestrians, bicyclists and people that just use that as a way to traverse up and down Cargo Way.

Bayview Rise recognizes the public art within the Blue Greenway. The Bayview Gateway Project is going to be Bayview's newest park at the corner of Third and Cargo Way. It is currently under construction. The design of the park pays attention to the unique cultural and resources of the community to talk about the food history and the importance of food with Islais cherry, which Islais Creek is named after, the imports of grains, also Butchertown and SF produce warehouse that's all in Bayview. As a part of that, the theme of the planting plan is to plant the park with fruit-bearing trees and bushes and to interpret the site and tell the history and story about the importance of food in the Bayview community and also design it in a way that's sustainable, using locally-sourced materials, such as concrete paving and permeable concrete that'll come from our own batch plants just a block or two away from the facility.

Additionally we're talking about some major art pieces on the corner of Third and Cargo Way that celebrate the Gateway into the community and using the railings along the wharf's edge to tell the story about the Bayview community, the culture and the history of the site and the Port.

The next few slides are just some perspective sketches. You can note that there's a view key down here, so this is looking from the corner of Third and Cargo Way towards the Bayview Gateway. That's just a placeholder of where the public art would be located.

Here's a view looking north on Illinois Street towards the Plaza Area that's intended to be a respite and transition zone along the Blue Greenway between Illinois Street and Cargo Way. It'll be a great place to view the Bayview Rise art as well. Again, this is from just north of the corner of Cargo and Illinois Street looking north.

Here's a view southbound on Illinois Street, looking at what the park will look like just after you are exiting the Illinois Street Bridge. This is the pathway that connects you from Illinois Street over to the Third and Cargo Way intersection with the firehouse being right here.

Another view looking west towards the firehouse from Illinois Street again in this plaza area that's being developed. Some of the interpretation will happen on the walls and on the seating areas to tell the story about Bayview and the Port.

Here's a cross section that illustrates Bayview Gateway basically going from Cargo Way across to Illinois Street into the plaza, showing how we're going to provide a buffer between the freight rail spur that serves the Port's Intermodal Container Transfer Facility, the Port's rail yard from pedestrians and users of the park and to provide a safe crossing, and also to provide a little bit of an elevation to buffer some of the views of the freight rail.

This last illustration shows some of the safety improvements we're doing so that, at the crossing of the freight rail and the primary pathway through the park, that there are a number of signs that warn people about the rail, different pavement markings that make the pedestrian or the bicyclist recognize that they're coming and approaching a freight rail facility and to use caution.

The Copra Crane Project's at about 60 percent design review. We've submitted applications for our permits necessary to construct it. As Elaine mentioned earlier, we're hoping that that will go out to bid in January.

This is an illustration of what the Copra Crane looked like before we had to dismantle it, and this is it being dismantled. We're hoping to put it out to bid to reconstruct it on-site as a landmark to labor history.

This past July we got design review approval from the Port's Waterfront Design Advisory Committee and the BCDC Design Review Board for Crane Cove Park, which has a variety of programs, including a new sandy launch area for human-powered boating, some areas for children's play, a new multi-purpose lawn, restoration of Slipway Four, and a new 19th Street extension that'll provide a new entry to BAE, provide a link in the gateway and an entry to the park.

This is a shot of the improvements we did along Mission Bay, along the Bayfront Park shoreline. This was the previous shoreline, and with approximately \$2.3 million of 2008 bonds, we completed the shoreline improvements. It's opened up now until which time the Mission Bay Project delivers the new Bayfront Park, which is anticipated to occur just ahead of the future arena project.

Here's the concept for the Blue Greenway signage, which is intended to provide an identity in way-finding for the Blue Greenway. As early as Friday, we'll see the first of these signs being installed at the corner of Third and Cargo Way, with the project being completed by the end of October. There are 10 locations from Mission Creek to Heron's Head Park that'll provide this way-finding and identity system.

The public art through the Blue Greenway planning process, we identified a number of locations for both temporary and permanent art. We've installed the Pier 92 grain silos, which have been a great success and the Port's received a lot of accolades for. I'm now working with the Arts Commission using the Art Enrichment Funds from the 2008 and 2012 bonds project. We're working on selecting an artist and developing concepts for the Bayview Gateway Art Project. The Arts Commission did select artists to prepare concepts, but those concepts were not well-received by the community, and so we're working with the Arts Commission to go back and refine the criteria and select new concepts.

Lastly, as you've asked us to talk about the impacts of sea-level rise, each of these improvements have been designed with the projected sea-level rise at 2065. So the different means of addressing the sea-level rise is basically elevating the sites where we can or in the case of the Mission Bay Shoreline Project, we elevated it around 15 inches to protect it to 2065. The same approach was taken for the Bayview Gateway. Both Crane Cove Park and Heron's Head Park was also built up to protect it from sea-level rise.

This illustration shows what the projections are for what they are today, where we're having flooding in this green, what it's projected to in 2050, and where we're at 2100. The little arrows show how the water gets to those locations. As we move forward with the planning and design for each of the Blue Greenway projects, we're taking into consideration the sea-level rise.

The next steps for us are to continue to work with our partner agencies, including state, regional and local city agencies on completing the Blue Greenway as well as pursuing grant opportunities where we can, or other funding mechanisms to continue to improve the Blue Greenway. And then begin to advance the projects that are being funded from the 2012 bonds.

Mike Daly - I am retired from the structural steel industry. I was a construction manager. I lived in Glen Park for about 35 years, but nowadays I'm over in this part of the city almost all the time. It is a very exciting place. Regarding the Copra Crane, when that issue first came about, the intent was to clean up Islais Creek in the area of spectacular MUNI facility adjacent to the shoreline, a spectacular SF Arts Commission structure, which they spent \$800,000 on. It is world-class and a beautiful job along the coastline done according to BCDC standards. The money was issued to the Port a year and a half ago -- \$616,000 -- to clean up the waterway in addition to do whatever they could with this historic crane. But since that time, the city built its own labor landmark. I don't know anyone now personally who speaks about that crane. But I do know everyone I speak to about Islais Creek wants that waterway cleaned up. If we were to walk 12 blocks from here and stand on the water and see it, there's about 250-feet-long collapsed dock and creosote piles. This is specifically mentioned in the BCDC grant, which came to you through California Coastal. In the documents we saw tonight on page 5 of item 9, it says construct Copra Crane. Business opportunities that you mentioned -- rebuild Copra Crane, \$616,000. That's how much money is in the grant. It cost the Port, the city, \$800,000 to do their labor landmark. But most important in the scope of work is to clean up the collapsed cargo dock, which has been there for many years. That was the intention of BCDC when this grant came to you.

Commissioner Katz - David, could you address the status of the cleanup?

David Beaupre - My apologies that the description was not clear. The focus has been primarily on the Copra Crane, but as a part of the grant, we do intend to clear as much of the dilapidated piles as we can. That is a part of the project, to restore the crane in its original location, but also to remove as many of the piles as we can using those grant funds but we also have a desire to remove all of those dilapidated piles to improve the appearance of the creek.

Commissioner Woo Ho - I don't have any specific questions, but I'm pleased to know that we're progressing with the Blue Greenway. It's an important aspect of what we think in terms of the Port's overall activities, in addition to all the other ones that we see in real estate and maritime because it is the open-space sort of projects that we have. I commend you for the continued progress, and I know that a lot of it is subject to the fact that we need to keep finding funds, and that we still have some from the park bonds that we haven't spent yet, and from the grant that was mentioned previously. It's great to hear the progress and keep going.

Commissioner Brandon - Thank you, David. This is one of my favorite projects. I love the Blue Greenway and the open space all along the southern waterfront. You've done a phenomenal job. We've come a long way in a short period of time. I'm very happy to see that you incorporated the sea-level rise in this presentation. That was great. Is the signage going to be the same all along the Blue Greenway or just the Port portion?

David Beaupre - The intent is for it to be the same along the entire Blue Greenway. As a part of delivering the project, the Port could only spend the bond money on the Port project. Those 10 signs are the first of the signs. We've spoken with both Rec and Park and the state park's recreation area, and they've shown a willingness to carry that sign program through their properties. Additionally we've requested to have the mold of the sail element, so that when they're ready to move forward, they can construct the sail element as well.

Commissioner Brandon - Who's going to be responsible for the maintenance of the open-space projects, the parks?

David Beaupre - The Port will continue to maintain the open spaces that are within our jurisdiction.

Commissioner Brandon - I do remember requesting to understand what we're going to do with the pilings in the southern waterfront and the cleanup to remove most of them. I know it's probably somewhere on the forward calendar.

Monique Moyer - I'm sorry. I thought we did get back to you on that already. I apologize. We'll do it again. I think we did it by email rather than in an item but I'll do it as an item.

Commissioner Brandon - Got it. Thank you.

Commissioner Katz - David, I also want to thank you. As you know, this is also one of my favorite projects. I'm very excited to see it moving along. What is the total acreage of the various parks that will be along the Blue Greenway? I know I knew that at some point.

David Beaupre - I don't know but that is a calculation I can come up with and get back to you. Would you like it for the entire Blue Greenway or the Port's jurisdiction?

Commissioner Katz - Just the Port's jurisdiction. How much of the open space and the park area that we have there? What's the maximum distance between the open spaces?

David Beaupre - We aim for about a 15-minute walk between major open spaces, which we based on the current Blue Greenway within the Port's jurisdiction and even outside the Port's jurisdiction, we have that.

Commissioner Katz - In terms of materials used and I've referenced the High Line a few times and again, I think there was an article in the paper about the success of the High Line recently. Will we have any kind of variation of materials along the pathway, or is all just going to be asphalt?

David Beaupre - We will have a variety of materials. What's unique about the Blue Greenway, and in some ways has been difficult for some people to grasp, is going back to that idea of the emerald necklace, where there's a series of parks that are connected by roadways, pathways and walkways.

Obviously, where they're connected by roadways and sidewalks, they'll be concrete. But within the various parks we'll have different materials depending on the nature of the parks. In Warm Water Cove Park, we have permeable concrete. At Heron's Head Park today, we have a reinforced, decomposed granite. That illustrates the variety of the setting that they're in. Heron's Head Park is very natural, we want a more naturalistic one. Within the Bayview Gateway, it's an industrial setting on a wharf, where we'll have concrete, but in some areas underneath some of the fruit trees, there will be decomposed granite so we'll have a variety of materials.

The same is true with the site furnishings, where there'll be some consistency with respect to waste receptacles and the signage and drinking fountains. But some parks will dictate different types of benches and signage.

Commissioner Katz - You don't have to give me an exact amount but in terms of the additional funding that's needed to complete our efforts, what are we looking at? Are there areas we need to focus on in terms of trying to figure out?

David Beaupre - We have the numbers specifically outlined in the Blue Greenway Planning Design Guidelines, and that's available online at www.sfport.com/bluegreenway. We have it broken down by projects the Port anticipates delivering or projects that we anticipate working with our development partners to deliver.

Roughly, at the top of my head, we're at about \$120 million remaining. We're relying on our development partners to deliver about half of that. That's at the top of my head. I can go back into the document and get those numbers more refined for you.

Commissioner Murphy - Are these parks going to be dog-friendly?

David Beaupre - Yes, as dog-friendly as we can allow them to be, or where it's appropriate. An example of that is at Heron's Head Park, where we were having some issues with dogs out in the natural areas upsetting some of the wildlife there. As part of that park, we put a dog run in. That's a place where the dogs can run off-leash. In other parks it might only be appropriate for dogs to be on the leash.

Again working with our partners, Rec and Park and the Office of Community Investment and Infrastructure, the former Redevelopment Agency, we looked broadly at all of the parks, not only the plan for the Blue Greenway parks, but the parks that are adjacent to it, and tried to come up with a program that complemented each of the parks rather than repeating them. Within Mission Bay, there's a dog park at the terminus of Mission Creek that's pretty well used. There may not be a need for a dog park at Crane Cove Park, but maybe Warm Water Cove might be another location where it's appropriate.

We'll continue to work with our partner agencies and kind of leverage each other's resources so we don't duplicate programs, and offer unique opportunities at each of the open spaces.

Commissioner Murphy - Both my dogs are young, so they're not going to get tired. But what about if I'm with the dogs and I get tired? Is there any docks or anything there for water taxis so you could sort of take a taxi around on the water?

David Beaupre - Pier 52 is a potential site for a water-taxi landing and there is a park there. The other parks currently aren't designed to accommodate water taxis.

Commissioner Murphy - Well, it seems like there's a long way right around to the end there, where there would be no water transportation. Has that ever been a consideration?

David Beaupre - Are you talking about within the Hunters Point Shipyard?

Commissioner Murphy - Yeah. Is that out of our jurisdiction?

David Beaupre - That's outside of our jurisdiction. I believe they may be considering some form of water taxi or ferry landings down the road but there will be human-powered access, and you can bring your dogs and your kayak and then paddle around.

Commissioner Murphy - It would be nice if you could take a taxi around from, let's say, Pier 39 all the way around, see that part of the town. That would be kind of nice.

David Beaupre: I agree.

B. Informational Presentation on City and County of San Francisco Civil Grand Jury 2013-2014 report *Port of San Francisco Caught between Public Trust and Private Dollars* and Port response thereto.

Brad Benson, standing in for Monique Moyer - In June of this year, the Civil Grand Jury, took a close look at the Port of San Francisco and issued their report. They also looked at sea-level rise, which implicated the Port as well as other city departments. There was a hearing just a few weeks ago at the Board of Supervisors to consider their recommendations and responses from each department. I know the Commission received the response put together by Executive Director Moyer and staff, both on the focus on the Port and the Public Trust, and also on sea-level rise.

Today we thought we'd give members of the Grand Jury an opportunity to present their findings directly. Elena Schmid is the forewoman of the jury. We have Larry Bush, who was one of the principal authors of the report. We want to note at the staff level that civil grand jurors volunteer an incredible amount of time looking into the efficiency of city government, trying to make helpful recommendations. We were very appreciative of the plaudits that the Civil Grand Jury shared, along with their constructive criticisms.

We'll start with Elena giving her report. And then I think Larry will come up and then I'll come up and give a very short response.

Elena Schmid - As Brad indicated, I was the foreperson of the jury. I have to say it's been fascinating to sit here and listen to the discussion this afternoon. Tremendous applaud to you for the consideration in the southern waterfront

of all the maritime use, and most especially the rising sea levels. That's near and dear to our heart.

I thought I'd present the process of the grand jury -- how it works, how it's formed, how it works and then what happens after our report gets out. That's really what I'm going to touch on, and then Larry will talk about the recommendations that we put forward.

As Brad indicated, we volunteer. Every springtime the court asks for volunteers for the Civil Grand Jury. 30 people are picked at random, 19 are seated, and then the rest are alternates if something happens during the year.

We actually go all the way back to the California Constitution. That's who has it in the constitution that there will be citizen watchdogs and that the grand jury looks at the county part of the 52 counties in the state -- not the cities. But for San Francisco it's a little different because of city and county.

We're sworn in on July 1st, and we have to complete our work by July 30th. So when we sit down together the first time, we're complete strangers to each other. We have a year to kind of get together and to become a jury, because we have to vote on all the reports so everybody has to know what's going on in the reports.

The charge that we have, by statute, is to look as citizens, to be the citizen's watchdog to look at efficiencies and effectiveness of local government. What do we see that might be better from our point of view, from the citizen point of view?

One way to look at the work that we do is you, as the commissioners, look at the Port from the top down. We, as citizens' reps, look from the bottom up. So our perspective is different than yours, so our conclusions are going to be done a little bit differently.

When we're first put on the jury, we are sworn to lifetime confidentiality. We can't talk about who we talk to. We can't talk about the details that we got as background. All of that remains confidential. We approach all of our ideas, our investigations with an open mind. We don't go with preconceived notions, and, in fact, if someone has a preconceived notion about they're coming on the jury to do X, Y or Z, the judge usually will not seat that person so we enter all of it as individuals.

The other thing is that we, as a jury, don't look at individuals. We talk to a lot of individuals, but what we're looking for is processes. All of our reports are talking about the processes.

We put out six reports at the end of June. If you look at all the reports, there's a theme of transparency and citizen involvement. That's what we're after.

Local government is going to work best when the citizens know what's going on, and when the citizens are kept informed along the way.

That's how the jury is set up. What did we do on the Port? We had a committee that did some intense investigation. We spent seven-plus months researching, writing, editing, and listening to the individuals who came before us. The juror members themselves sometimes spent 20-30 hours a week on the project that they were working on. It's pretty intense work.

For the Port project, we interviewed 24 individuals -- city officials, citizens. We kind of try to get a complete picture of people as they thought about the Port, worked for the Port, had interaction with the Port -- whomever would help us. We looked through 175 documents, we looked at a variety of reports, Web sites, meeting minutes. We spent as much time as we could in terms of background research and current activity that was going on.

I want to just, for a moment, highlight the subtitle of our report, which is "Caught Between the Public Trust and Private Dollars." We chose that very carefully. It actually took us a couple weeks to come up with that, because we understand and got the picture that you all are faced with, which is massive infrastructure needs and not enough dollars to fill those needs.

We understand that, and as we put things forward, we try to keep that in mind. As Brad indicated, we're more than happy to applaud the good work, the good projects that you've done, and the incredible life that has been brought to the Port front. You can't ever walk along Embarcadero and not be grateful for what the Port's doing.

The last part that I'll cover is what's happened since the reports came out? A number of things have happened, both in terms of the landscape of each of the reports that we talked about, different changes have been put in place.

Let me indicate that we are given a very strict structure on how we write our reports. We have to come up with findings, we have to come up with recommendations -- recommendations have to come from the findings -- and we have to identify who should respond to those recommendations. Your Executive Director Monique Moyer responded to the Commission Recommendations in the timeframe, which was set, which is 60 days.

For another Commission that we had looked at, they held a public session and spent 6 hours going through our report. Because they had linked in to our report, they took public comment on each of the recommendations. In that case I think we had like 29 recommendations. The Commission submitted the responses, including even those responses that we had directed to the Executive Director, because they felt that only the Commission should speak to the Commission. So the manner in which responses came to us or came to the court were very different depending on what the report was all about.

Once the responses reach the court -- and they have a timeframe, either 60 days or 90 days, depending on who is responding -- it goes to the Government Audit & Oversight Committee of the Board of Supervisors. On September 11, 2014 they heard our presentation on the Port and the response to the Port. The full Board of Supervisors ratified the GAO's Committee Reports on September 16, 2014. We're very glad to have a chance to talk with you. I'm going to let Larry deal with the content of the recommendations.

Larry Bush - Thank you for the opportunity to talk to you. I'm a member of the Civil Grand Jury that concluded on June 30, 2014. I was on the Committee that dealt with the Port as well. We talk about this as though it's a report on the Port. It's really a report on the whole waterfront. As you look at our report and findings and recommendations, it also went off to other city departments. We sent requests for permission to MTA, to DPW, to Rec and Park, Planning and to all the different entities that have an involvement in what's happening on our waterfront.

I recommend that the members of the Commission take a look at what responses we got from other departments as well as looking at your own response.

First of all we'd like to thank the Port staff and all the people who assisted us, because we had a lot of cooperation, there was a lot of requests that came from us. Sometimes almost overnight responses requested and everybody was very helpful, and we were very appreciative of it. Also you should know that we were very impressed at all the work that has gone on at the Port and along the waterfront. Regardless of which department was involved, but mostly it's the Port's department itself.

It is as though San Francisco was discovered from people coming to the waterfront, and now it's being rediscovered as people go back to the waterfront and discover what a beautiful place it is and what meaning it has to the city -- not just the things that we all know on the land, but as we certainly found out in the course of our investigation, the maritime efforts that are underway at the Port, which are considerable and which are important to the city and impressive for the waterfront.

Our report took note of those things, but also looked at areas as we go forward from where we are now. The questions were largely who makes decisions regarding what's happening on the waterfront -- which is a number of different entities -- and at what level do the citizens have input into that process, and what have been the results.

One of the findings from the jury was that Port decisions, in some cases, have been strongly influenced by the mayor's office. Decisions were made and

announced without ever coming to the full Commission. There's a prerogative for almost any mayor to set forward what their agenda is, but sometimes this went beyond that.

In the case of the America's Cup, for example, while we were doing our report, there were negotiations underway for a future America's Cup event in San Francisco. We could not learn who was involved in the negotiations. It was apparent to us that it was not involving the Commission here. It was not involving some of the people in the mayor's own staff. As you know, it also did not involve members of the Board of Supervisors. To some extent some of that happened with the Warriors as well and with 8 Washington.

We have citizen advisory committees that sit and serve the Port to give advice to the Port, but those advisory committees are largely made up of people appointed by the Port. In the past, for example, when the Waterfront Land Use Plan was announced and developed from 1990 to 1997, it was a very robust process with 46 members who were appointed by the Port, by the Board of Supervisors, by the mayor and by some specific community groups that were involved.

We haven't seen that kind of robust outreach at this time, as you all are working on an update of the Port report. In fact, the timing of the update is that it was released in August, after our report was issued, with the first deadline for public comment at the end of September; now the deadline's been moved to November.

For those of you who have been active in the city's politics knows, the period from the middle to August to the end of September is not a very active time for many people -- the Board of Supervisors is on hiatus, community groups are also not very active during that period of time.

Even when the extension goes to the end of November, that's during the election season. People who are politically active -- whether it's the Residential Builders Association and the Chamber of Commerce or political clubs or neighborhood groups -- are focused elsewhere.

We had recommended a review that would take a year to two years. This is a review that's going to take about three months. It really needs to be a very open process. If you take a look at what the mayor has just announced with Market Street, which is recognizing that plans for Market Street over the past 20 years have all emerged, been exciting, had lots of drawings, and then fallen apart.

Now he has proposed, along with some other partners, crowd-sourcing, where people will present ideas of what they think should happen with Market Street. The best ideas will be given some money to do mock-ups -- not big

mock-ups but something to show what it is. People will have a way of giving input.

It's not very different with what happened to JC Decaux when they were doing public toilets in and around the city, because there were various entities who were interested in doing public toilets, and you would see different models put out, and people had a chance to vote on it.

The one place that we saw that that kind of robust outreach took place was on Pier 70, which was remarkable in both the Port's collaboration with Pier 70 and also with the developer. The developer's outreach was certainly more than simply having a mailing list. It was out in the community. If you look on their Web page, you will see that they have a whole section called "What We Learned," which was really a good way of telling the public we paid attention to what you said, we made changes in our plans as we moved forward, here's what we learned, and here's what we did with what we learned.

It would be very useful for the Port to do the same kind of thing as you look forward to a renewal of the Waterfront Plan. I keep referring to the Waterfront Plan as though it was all land use. But as we were acutely aware, while the original Waterfront Plan was called the Waterfront Land Use Plan, the waterfront is about the maritime as well as land use.

It's important that people refocus on the role of maritime. We made several suggestions, including dealing with cruise ship lines. We understand the Port's position, that efforts to do something with the cruise ship lines and opening it up to foreign vessels did not succeed when it was brought up in 1998.

But 1998 is a long time ago, and a lot has happened since then, including a dearth of American-flag vessels that are cruise ships. It comes down to a question of is there wiggle room for a pilot program or something along that nature? If so, can it be done in such a way that the unions would accept it because of their concerns that foreign-flag vessels don't have the same standards as American-flag vessels, of which there are actually none? The jury's view was that this calls for a stronger effort by the Port, rather than just being part of a coalition, that it spans the whole coast including with people who are our competitors.

We also thought that some of the Port's negotiations that set things into place were taking place during the depth of the recession in 2008 and 2009. We would encourage you to consider a trigger that would allow for a reassessment of the value of some of those deals so the Port could receive some money.

We talked about some things that were kind of innovative and had not been discussed, like a maritime institute on Pier 30-32, which would be a

partnership with the UC system, for example. Certainly we're looking at other funding sources besides what happens as a result of development. UC would be one potential funding source for something like that, but so is the fact that there is a strong interest in maintaining a merchant marine function for this nation. There ought to be a way to move forward with the federal government to say that San Francisco is part of the merchant marine, and that we need to have some federal funds.

As you know, when the Port received the waterfront, it received it with a debt, a pig in a poke. But what a lot of people don't realize is that Leo McCarthy, who was then representing San Francisco, asked for an appropriation from the state legislature to close the gap so that it didn't fall on San Francisco. That didn't pass at that time, but there's no reason why it can't be revived because of the importance of the Port to the state's economy -- in tourism and in maritime use and general recreation.

Since the State Lands Commission has decided that it is the lead on deciding what's happened to the Port, perhaps you could approach the State Lands Commission and ask them to begin lobbying for additional state funds to help the Port of San Francisco.

Finally, when looking at the Waterfront Plan, we think that all the relevant city departments should be part of drafting that. The plan you have now is very good, very thorough and very attractive, but it was drafted by the Port staff.

As you go through the responses, take, for example, the MTA response. We asked them about transportation needs along the Embarcadero, because when we took our tour of the Embarcadero by car, we had to leave the Embarcadero and drive through the financial district, because you couldn't get through on the Embarcadero. It was 10 in the morning. It was not rush hour. The MTA response to our request was to say that they do not have a strategy for the Embarcadero. They went on to say they don't have a strategy for transportation in the city, period.

But you have DPW, you have the PUC with the sewer systems, you obviously have Planning, you have DBI, you have the health department because of air-quality issues that are coming up, you have the environment. When you see this bound copy, you'll find that one of the reports in here is the one on sea rise, where there's a lot going on.

At the current time, it appeared to the jury that context between departments was sort of an ad hoc, as-needed basis between department heads. But there wasn't really a chance for people to sit around the table together and say, "Okay, here is the waterfront. What are you doing here? What is Rec and Park doing there? What's MTA doing? How do these things fit together in one piece?"

We think that a real waterfront update would include all of the parties who have an interest in the waterfront and what we're doing.

Commissioner Katz - Thank you both for all the time you put in. We're all keenly aware of how much time it takes to volunteer and do public service, and I really want to thank you for that. It's just an incredible number of hours that you and your colleagues put in.

Brad Benson - I was going to go briefly through the quick presentation seven slides that we gave to the Board of Supervisors. I know it's late, but I could do that very quickly.

We're not attempting to respond to all of the recommendations, just like the jurors didn't present all of their recommendations tonight. Elena, it was good to hear that you spent a lot of time thinking about the title. We appreciated it when we saw it. Clearly a lot of thought went into it.

One of the things we tried to emphasize at the Board of Supervisors, a big emphasis of the report is on development and public process around development. Much of the Port's activity doesn't have anything to do with development. It has to do with maintaining our maritime lines, building parks, being an operating department of the city. We feel that's something that we need to keep on emphasizing when we're out in public.

Commissioner Adams, here's your stock portfolio. This is a breakdown of the Port's land uses by type. You'll see that over 40 percent is either in current maritime use or planned for maritime use. Fully 25 percent is planned for parks. Twenty-five percent of the Port is leased up on a fairly long-term basis, potential development sites, and we're still refining these numbers, but they add up to 10 percent of the Port's portfolio. This was an analysis that we conducted after Commissioner Woo Ho asked how much is left to develop at the Port. There's not that much. So the emphasis is on operating the Port and improving our portfolio.

There was the comment about public input. We take that to heart. The original Waterfront Land Use Plan was a four-year public process with a broad advisory group. The Waterfront Plan sets forth public processes around development planning that led to over 400 meetings for the Port projects that are listed on this slide. Pier 70 was a great effort at public participation, but so was Seawall Lot 337 and Pier 48, where there was strong community involvement in developing that plan. The ideas in that plan came from the community.

We have six advisory groups. We do recognize that we need to move beyond that advisory-group framework. That's a set of people who are engaged in the waterfront. But how do we get the message out to the broader city since it

really is the city's waterfront, and we have to have that broad buy-in from all the districts in the city.

I want to clarify what the Port issued with the Waterfront Plan Review, because when we first gave this presentation, it was not clear what was intended by it. The Waterfront Plan Review is really a look back. It's seeing what's been accomplished since the Waterfront Land Use Plan was adopted. It's talking about the projects that were built, some that were not, what are the lessons we drew from that, and what are some preliminary recommendations going forward.

But this is not the end of a process. This is the start of a process. The Waterfront Plan Review starts to recommend an update to the Waterfront Plan that would carry beyond the November 30th date that is really just for comment on this document. We're then going to engage with our sub-areas along different distinct neighborhoods along the waterfront and with other departments and city-wide in a discussion about how to update the Waterfront Plan.

I just want to make clear, and I'm sorry if we didn't communicate that well enough when this report was issued. That Waterfront Plan Review recommends a few areas where there is a lot of potential development opportunity. The Northeast Waterfront has four piers and a number of seawall lots. South Beach appears to have some development opportunity areas. There's been controversy in both areas, so potentially, at the Commission's direction, a sub-area planning effort in those areas, coupled with a look at some waterfront-wide issues, like how is the Port responding to sea-level rise?

There were a number of other recommendations. I'm not going to go into each of them, but I do list them here. If the Commission has any question about the staff response to any one of these, we'd be happy to answer. But mostly we just wanted to appreciate the work of the Civil Grand Jury, all the time and effort put in to understanding the Port. We took your recommendations in the spirit that they were offered.

John Templeton - I sent a written response, but I'll actually diverge from that with the time I have to actually touch on a number of things that have come up today. As you probably recall, I did the African American Freedom Trail. I did contact statement for African American history throughout the city. You were kind enough to do the exhibition back in February and also host our Black Maritime Heritage Festival, which I hope we do again next year.

The major point that I noted when I just happened to chance across the Civil Grand Jury report, I was actually looking for the address for Pier 1 and just ran across the civil grand jury report is that as Mr. Adams can probably tell you better than I, 50 years ago the Port was the economic engine of the

African American community. There's almost no evidence of that in the current portfolio of assets that the Port has. Perhaps more than any other department in the city, the Port has been the economic engine of the black community and there's been just a peeling back of those opportunities just coming along the waterfront over the last 50 years. As Dr. Churchwell and I looked in horror at the Blue Greenway, we said, "Oh, God, they're going to finish the process and just completely write us out of the history of the waterfront."

Rather than looking piecemeal at things like the Bayview Gateway and the artwork that appeared on the silo - where'd that come from - there needs to be a plan for the role historically, economically and environmentally of African American community and the Port. It needs to be as comprehensive as the Waterfront Use Plan. To give an example, Aurelius Saul Berger had a shoe shine stand in the Ferry Building. In 1915, he started the NAACP. So this is the centennial of the NAACP, so if he wasn't in the Ferry Building operating that business, we wouldn't have that history going on.

We can talk about a whole number of people who should be recognized for anybody who comes to San Francisco who wants to really understand what the Port is about. We're beginning to implement the African American Freedom Trail sites. There's dozens of sites that are actually on Port property, and we hope that you'll be engaged in that process of making sure that those markers are there.

Commissioner Woo Ho - I appreciate both the report from the Civil Grand Jury members today. I think it's set in good context. I think there are some things that we obviously will be taking into consideration, obviously in a more contextual way in addition to the specific responses that the Port has made. It is something that we need to figure out in between. There is some communication that needs to work on. There is hopefully a better understanding, not just because of today's Commission meeting, of the topics that we do in terms of balance what we're trying to accomplish, which you all tried to point out to us as well.

I appreciate the fact that you have come, and I appreciate the comments that you made. I believe that we as a Commission continue to work towards trying to address both the interests of many constituent groups and stakeholders that are in the city, and that you have pointed out the difficult position that we're in in terms of what we're trying to do as far as also maintaining the viability of the waterfront.

I think that some of the comments as far as the other agencies, I believe that we have made progress in that regard. I can say that the MTA has come to us several times this year to talk about how we can improve the traffic patterns on the Embarcadero. We've had the Planning Department come and talk to

us about how we need to integrate more in terms of their efforts, and we do talk to them.

Not all of that is evidenced in the current version of the Waterfront Land Use Plan. We can certainly reference it, but there is more than ad hoc work going on between the Port and the rest of the city. We at the Commission are encouraging more integration. As we talk in particular about sea-level rise, that is not going to happen unless there's a fully integrated way of working this across the city. It will not succeed. We've already started that process, not only just within the city family, but with BDCD, and we welcome more input. It's something that has to take an integrated.

If I take your comments to say we have to work in a more integrated fashion, I don't think we would disagree with you. That's been the direction that the Commission has given the staff in that regard. I'm not going to address all of the comments that you made but that one kind of hit home with me, and I'd like to make that comment.

I, in particular, have had more sessions with the staff on the Waterfront Plan. They know my input. I'm not going to go through it publicly here. They know that there's a lot of work, and I do appreciate that Brad mentioned -- because I don't think it was clear when we saw the first rendition of the plan last month -- that this was more to start the process, because it was a review of what had been accomplished, and that really we have a lot more work to do in terms of outreach, in terms of the plan itself, in terms of integrating a lot of the other areas, not just working across the city, but in terms of the waterfront itself.

I don't know how long that's going to take us to get there, but we are just at the beginning of that. I view that document as extremely important as a strategic blueprint for the next five years. We can't do it for 20 years, it's too much to anticipate what changes can happen in the city of San Francisco.

One of the things that I've said -- in the last meeting I said it as well -- we're not just about reuniting San Francisco with the waterfront anymore. This is an asset for the entire city. The entire city cares about the waterfront. We have a lot of challenges that are not going to be solved by the Port by itself as an agency. It has to work across the city. Sea-level rise is a very good example of that, but even in our day-to-day operations, we have to work across the city.

Hopefully you are rest assured that we are working toward that purpose, and part of what we need to do is communicate better, document a little bit more what we are doing, not just in our Commission meetings, but use the plan going forward to demonstrate that.

Unfortunately I am going to have to excuse myself at this point. Thank you.

(Commissioner Woo Ho left the meeting at 6:25 p.m.)

Commissioner Murphy - I want to thank you both for your time and effort in doing the report. We talk all the time about our city family. The family seems to get bigger all the time. But the bigger it gets, the less they communicate. I would like to see, for one, would like to see more communication between the different departments in the city. I would like to see them give more notice when one department starts digging up your street, and they leave it open for a month and another department comes in and they dig up another hole, and they leave that open for six months.

Commissioner Katz - They passed a law on that years ago, but no one seems to follow it.

Commissioner Murphy - I don't think any of these departments are perfect. We do need a watchdog, such as the Grand Jury to keep an eye on things. I don't think the Port is any different. Overall I see the staff has been coming from looking down rather than what you said about looking up. Most of the staff -- probably 100 percent of the staff -- do the best job possible.

We were talking a little bit about that area, about the length of time that it takes projects on the board and on the waterfront to develop. It is because of just that -- no communication, and certainly, as you pointed out, not enough outreach. We certainly can improve in that area. I haven't read the report, so that's all I got on that for now.

Commissioner Brandon - Thank you very much for your time and effort. We really appreciate the comments and the constructive criticism. I know we've done a lot of great things, but we still have a long way to go. I don't know if you can answer this or not, but how do you choose your subjects for the report?

Elena Schmid - I'll give you a general answer. We take about the first two months or so, and the way that this jury did it was basically say if you look at the city budget, there are six or seven huge chunks -- health and safety, various departments, that kind of stuff. We simply said you guys identify which ones you want to look at within those five or six chunks. Then we gave everybody four weeks to come back with specific ideas. Then each committee presented those ideas to the full jury, and then we went through an exercise of willowing down the ones we thought could come to a report that would be useful, that could actually maybe result in some kind of change.

It was starting from the top and willowing down until we grabbed onto the ones. We had some that we thought were going to come together and be a single report that broke apart. We had others where we thought that we were going to have a report that was going to be exciting and wonderful, and it died

in about February. It's a process all the way through, but that's the general outline.

Commissioner Brandon - Thank you for selecting the Port, and like I said, we really do appreciate the comments. I do think that we can do a better job in outreach and communication. Again, I want to thank Commissioner Adams for taking that first step and getting the Commission out in the community. I do think we should be able to increase our outreach and especially our mailing list from 1,500. That's the first place that we can increase our outreach efforts. We have 800,000 San Franciscans, especially to the communities that really are impacted by our activities. We need to find a way to do more outreach.

I love the suggestion of going to BCDC for state funds. That would be absolutely wonderful. Brad, you should put that on your agenda. I really appreciate your time and effort.

Commissioner Adams - I also want to thank you. I don't agree with everything in the report, but there are some things that I do agree with. In the two years that I have been on this Commission -- and I'm just speaking for myself -- I have seen a lot of transparency. I have not seen where the public was shut down or left out of the process. I have seen the people show up, they have an opportunity to talk, the Commissioners are here and we're available.

A lot of times I don't think you guys ever see us when we have meetings with people in the community. They call us up, want to have coffee, talk to us and stuff like that that you probably never even put in your report, because those are the things that we do.

You made mention of us being a top-down. I don't think so. I think we're a bottom-up Commission. You can approach any of these Commissioners. Nobody tells us what to do. As you can see from the five of us up here, we're all independent thinkers. We all think our own way, we've all had our own different life experiences, we knock it around and we talk.

If you only knew a lot of the typhoons that this Commission has been through such as Proposition B. It hasn't been easy being a Commissioner. It's really not easy, because we've had to take on some tough issues. We've had to make some tough decision. A lot of times, people don't walk in these shoes. It's easy to criticize. That's your job, you're part of the Grand Jury but sometimes you don't have an insider's view what it's like to be up here and what we go through.

We are trying to do the best we can for every citizen in this city. It wasn't for your Grand Jury report that we decided to have this meeting here. It's because the Commissioners, we talked about it with Director Moyer, the staff, and we go, "We want the public to trust us. We want more transparency.

We're going to go out into the community." I got the idea watching the Police Commission on channel 26. Every time they have a meeting, they move throughout the city, they go to different areas where the people are at, and they have the community come in to talk to them.

This is what we have been trying to do. I understand a lot of your recommendations. If you know what we're up against, we're trying to make that change around the corner because of some of the things that happened, the Proposition B, etc. Even with your report, we're trying to make it just as transparent. We're trying to move forward. We're trying to create a community that every citizen can live in -- whether it's tackling climate change or talking about sea level rise. We even talked about affordable housing. This is a Commission that understands this.

I want you to understand what we're up against and what we're trying to do. I have served with these Commissioners up here. They all are very independent in their thinking. Not one of us up here are running for public office. None of us are going to City Hall, Sacramento or D.C. We're here for the citizens of the city. If it's something positive, I can agree with that. The Port has done a lot of good things. If we're commissioners, do you want us to do our job or do you want the city and the citizens to be the commissioners?

We're the caretakers of the Port. We've been asked to do a job. We've been asked to make tough decisions. This is what you asked of us. We do it basically for nothing. We get nothing out of it other than to give back to our community. We'll take the heat, we'll take the criticism. But we make no apologies. We'll continue to try to do better. We're totally committed -- Director Moyer, the staff, they work tirelessly, endlessly. We all do our best to make this a better Port Commission.

You've had probably some Commissioners where the Commissioners never even talk. They just sit there and they just rubber-stamp. This Commission, we talk, we engage, we have differences of opinion, we agree to disagree. We think that's healthy. We think the citizens coming out engaging, because we want to be better. We challenge the citizens -- I challenge you -- come to the Port Commission meetings. Join us. Even fight us. But help us to make this Port better, because we have a vision, we're trying to implement it, but we need everybody's help.

I do want to understand. I appreciate you donating your time. For me, I make no apologies for this Commission and what we've been trying to do, because I know one thing. What we've been doing is right.

Commissioner Brandon - I forgot one point. I'm not quite sure if this is the right time to bring it up, but I do want to address Mr. Templeton's comments. I just wasn't clear on what you are asking of us.

I personally would like to know if any of the African American Freedom Trail sites are incorporated in the Blue Greenway. If not, how we could incorporate that.

Commissioner Katz - I think David Beaupre has left, but, Renee is also involved in working on our signage. I know there is and there may be opportunities to integrate that. I was going to make that comment and urge our staff to speak with Mr. Templeton further on that point.

I always feel like it's helpful to have any suggestions, that bringing together reviews, criticisms, suggestions, kudos. I think all of that was contained in the report. I appreciate the information that was provided and the work that the Grand Jury did.

As noted in our response from the Port, we agreed with many of the comments. By the time your report came out, perhaps some of them had already been implemented. Some of them might have been moot.

The sense that I got after reading both the report and then the Port response to it was there was a lot of agreement on many areas. We can always look to how we can do things better. It's nice to have an outside view to offer up those suggestions.

Our responses are sort of a mix of agreement, corrections -- and on occasion I think, as you said, being bottom-up review, it's not always the best way to get all of the information. Certainly, in the limited time that was available and the number of interviews, it might not have been possible to get to all of the information. I know our staff worked hard to correct some of the areas where I would say it was more just misconceptions perhaps, and that things were going on.

I was very pleased about the opportunity to read the report and see where we can look at improvements, see some of the perceptions that may be out there that, as Commissioner Adams I think was articulating, might not always be understood.

I appreciate the time and the effort that went in, and also from our staff, as I know many of them have spent a lot of time reviewing the report and taking a look at where there's areas of suggestions that can be incorporated. That's one of the things we encourage the public to do at all of our meetings, we've said it over and over, that we want to hear from the public on how we can do things better and what needs to be done.

Just sort of a couple specifics, I think. Commissioner Woo Ho did mention it, but we do have other departments up here regularly. And just at our last meeting -- I urge you to go look at it -- we had John Rahaim from Planning

speaking, and then we had a very extensive presentation on sea-level rise from John Englander and Will Travis. We are very much on the same page there.

Throughout this past year, we've had various different presentations from MTA. I think one of the things that we learned as we put on the America's Cup was how to incorporate and work with the other departments and vice versa, as we move people along the Embarcadero.

I also appreciate the acknowledgement of how much has been done. That's really one of the things that came from the report that I view it more as a status update. That's really how that needs to be looked at. It's not a final waterfront plan in any sense, but it's really an update of the status of where we are. It enables us to then figure out where we want to go.

We've all been grappling with -- we've been successful at, I think, connecting San Francisco with the waterfront. That was one of the goals of the original waterfront plan and we've succeeded very well. That's why I think there's so much excitement and interest in the Port and the waterfront now. I view that as a big success, not just the specific things that have happened along the way, but that people really have started rediscovering our waterfront now, and come here more.

I appreciate the acknowledgement of all that has been created throughout that time. As Brad was mentioning, we will be figuring out ways to go forward and looking for suggestions and comments with respect to where we're going next, and that we'll be taking steps towards that. I don't know if it's a vow of confidentiality but whether you can still serve as resources and participate in other efforts going forward.

Given the amount of time and focus on the Port, it's always wonderful to have added resources weighing in on our actions. I think transparency and citizen involvement is critical, and we're all looking for ways that we can expand that. It's sometimes hard in our limited opportunities.

I certainly know with the Commission, on some levels we are very constrained by the rules and other things, so, as Commissioner Adams pointed out, we often have to have one-on-one meetings with people, unless it's a formally called meeting, which is actually what occurs with our Citizens Advisory Committee meetings that have occurred so often and are open to the public.

Figuring out ways that we can expand our outreach is significant, and that definitely will be happening. Also in terms of how we increase our outreach, we have more opportunities through social media and the technology here. I know Renee Martin, who's our Director of Communications, has been looking at efforts -- even as we speak -- on how to engage others in the community, how to use social media for more outreach and to expand that list of people

that we reach out to and make sure that it goes city-wide. We have come up with some ways, and I know she'll be presenting those to us soon, I'm sure, as to how we increase our outreach and get more people engaged. It's something that we all have been focused on and care about.

In many respects, we're all on the same page -- loving our waterfront, looking at how much we've done and all figuring out the best ways to move forward. I want to thank you for your report and the time to make the suggestions, and also for all of our staff for looking at those and figuring out any misconceptions that have been out there, but also acknowledging things that we've been working on that are completely in synch with the suggestions that have been contained in the report.

9. NEW BUSINESS

Monique Moyer - I only have one item of new business and a couple of other follow-up items that probably don't rise to the new-business level but that was to work with Commissioner Brandon as an advisor to staff on a southern waterfront master planning effort.

Commissioner Katz - And Commissioner Adams.

Commissioner Brandon - I'm not sure Commissioner Adams wanted to join me but that's okay.

Commissioner Adams - I don't mind joining, I can be your alternate.

Commissioner Katz – I want to thank Toye Moses, who's joined us. We thanked you earlier when you were out of the room. Thank you for hosting us here at the Southeast Community Facility and thank you to everyone who joined us from the community.

10. ADJOURNMENT

ACTION: Commissioner Adams moved approval; Commissioner Brandon seconded the motion. All of the Commissioners were in favor.

Commission President Leslie Katz adjourned the meeting at 6:45 p.m.

